

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

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HOUSE OF COMMONS

Wednesday, June 1, 1983

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

SHIPBUILDING

CONTRACT FOR REPAIRING DESTROYER "NIPIGON"—STATEMENT OF NOVA SCOTIA PREMIER

Mr. Gaston Gourde (Lévis): Madam Speaker, yesterday, on behalf of the Ministers of Supply and Services and National Defence (Messrs. Blais and Lamontagne), I announced that a contract had been awarded for refitting the *Nipigon,* a Canadian Forces destroyer. The contract is for $12.7 million, and work is to commence on or about June 27, 1983.

I am mentioning this announcement by the Canadian Government because recently, according to an article in the *Globe and Mail,* the Premier of Nova Scotia, Mr. Buchanan, declared that the tender by Halifax Industries was lower than that of Davie Shipbuilding Limited, and that in the circumstances, it would be unfair to award the contract to Davie. Madam Speaker, what the Premier of Nova Scotia said was entirely false. According to the figures published yesterday, the tender by Halifax Industries was for $19.5 million, while the Davie tender was for $12.7 million, a difference of 53.5 per cent. I would therefore ask Mr. Buchanan to retract what he said, if he does not want to lose his credibility, and I would also ask my Conservative colleagues to call one of their fellow Conservatives to order.

* * *

[*English*]

VETERANS AFFAIRS

CRITERIA GOVERNING PAYMENT OF WAR VETERANS ALLOWANCE

Mr. Mel Gass (Malpeque): Madam Speaker, I would like to pursue an issue which has been of concern to war veterans in my constituency, with regard to the War Veterans Allowance. The War Veterans Allowance is an income-tested allowance which permits a married veteran to earn up to $3,900, and a single veteran $3,100, before any income from employment is deducted from the allowance. Also deducted from the allowance is any family income such as the Canada Pension, family allowance, old age security, et cetera, which exceeds $887.26 for married veterans and $532.14 for single veterans. Also deducted from the War Veterans Allowance is any income from interest on properties, stocks, deposits, et cetera, which exceeds $100.

I feel that there is an injustice being done to the war veterans who cannot work part time due to poor health or lack of jobs but still have the family income deducted from their War Veterans Allowance. They do not have the $3,900 or $3,100 extra that working veterans can make, and under some circumstances justly cannot find employment. I feel there should be some compensation made for those war veterans who cannot work but are not on disability pension and who have their Canada Pension or old age security deducted from their War Veterans Allowance. I urge the Minister of Veterans Affairs (Mr. Campbell) to take the necessary steps to correct this injustice.

* * *

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—CALL FOR REMOVAL FROM NEWFOUNDLAND EMPLOYMENT CENTRES

Mr. Rod Murphy (Churchill): Madam Speaker, three Canada Employment Centres in Newfoundland—St. John's West, Harbour Grace, and Clarenville—have urea formaldehyde foam insulation producing readings as high as 0.15. About 100 employees work in these offices, suffering from such health problems as eye and nose irritation, headaches, fatigue, throat dryness—problems that are believed to be related to the presence of UFFI. Women who are pregnant have been advised by their doctors that they should not work in these buildings because the long-range effects of UFFI are not yet known. I believe the Liberal federal Government must act immediately to protect the health of these workers by removing UFFI from these work locations or by transferring the employees to other work locations.

I also remind the Government that the Canada Employment and Immigration Union of the Public Service Alliance of Canada is unable to seek protection for these employees under the Canada Labour Code. The Minister of Labour (Mr. Caccia) must stop hesitating, and must introduce legislation in this House which will bring the Public Service under the protection of a strengthened Canada Labour Code.

S.O. 21

REGULATORY REFORM

PUBLICATION OF AGENDA

Mr. Jim Peterson (Parliamentary Secretary to Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, I rise with what I can only imagine to be the pride of a new mother. Yesterday the President of the Treasury Board (Mr. Gray) brought forth the Regulatory Agenda. The Regulatory Agenda is perhaps the single most important recommendation of the task force on regulatory reform. It provides notice of the regulatory initiatives of ten regulatory Departments and four regulatory agencies. It will be published twice a year, in May and November. It gives notice in a compact, accessible form to the private sector—business, labour, consumers and environmentalists—of pending Government initiatives. It outlines the problem, possible actions the Government might take, and, most important, the name, address and phone number of the responsible contact in Government.

The Agenda is an early warning system, provided through publication in *The Canada Gazette* of the Agenda. It is the key to better consultation and will lead to more cost effective regulations responding to the real needs of the private sector. It will utilize private sector knowledge and know-how. As one person said, the Regulatory Agenda is the most significant development in Government tracking since *Hansard*. The gestation period has been long. It has been worth it.

Some Hon. Members: Hear, hear!

* * *

ENERGY

ACCELERATED OIL SANDS DEVELOPMENT ADVOCATED

Mr. Jack Shields (Athabasca): Madam Speaker, it is generally acknowledged that the oil reserves contained in the Athabasca tar sands exceed those of the Middle East. I submit to this House that an accelerated program of oil sands development is essential to Canada's goal of self-sufficiency in oil, certainly by 1990 or by 1995. Canada should try to offset the risk of insecure foreign oil supplies and lessen the drain on its currency that results from foreign oil purchases.

Surely there should be serious consideration of encouragement to develop further the oil sands at Syncrude and Cold Lake, which are known to exist and to be producible. Royalty reductions and tax considerations help, but it is the enormous downside risk, if crude prices plunge, that requires special attention.

Perhaps one answer to foster these job-creating, energy security investments would be a maximum and minimum return on investment, with enough return on the upside to encourage real efficiencies, or there would, instead, be a guaranteed crude price during pay-out of investment.

Syncrude Canada produced about 7 per cent of Canada's domestic oil in 1982, and Syncrude's payments to Governments for PGRT and royalties are estimated to be about $450 million in 1983.

Madam Speaker: Order.

* * *

• (1410)

RAILWAYS

CROWSNEST PASS RATE—RATIO OF SUPPORT IN FAVOUR OF RETENTION

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, I want to think the Minister of Transport (Mr. Pepin) for his prompt attention to my written question and I would also like to draw to his attention the answer which his office has provided. I had asked for the number of signatures the Minister had received supporting a change in the Crow rate. The answer given by his office was 69. I had also asked for the number of signatures the Minister had received supporting retention of the Crow rate. The answer given by his office was 38,713. For every person supporting Crow rate change, Madam Speaker, there are 561 people supporting Crow rate retention.

The Minister should drop the notion that opposition to Crow change is a position held only by the New Democratic Party and the National Farmers' Union. The number of Crow retention signatures he has received is three times the membership of the National Farmers' Union. The Minister should now realize that many of the groups with which he is negotiating do not represent the strongly held views of farmers and prairie communities. He should admit that his strategies of corporate consultation and negotiation have placed him in his present untenable position.

Finally, the Minister must enter into discussions on railway upgrading which include Crow retention as a serious alternative to the present Bill. He should split Bill C-155 so that the upgrading of railways can proceed immediately. For the Minister to continue along his present course is to foster western alienation, western separatism, and probably civil disobedience.

* * *

TERRY FOX

TRIBUTE TO FILM OF LIFE STORY

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, last weekend I wanted to take my seven year old son, Alex, to see the movie *The Return of the Jedi* but the line-ups proved impossible. Somewhat disappointed, we decided to go to see *The Terry Fox Story* instead, and we had no trouble getting in because the theatre was more or less empty.

Somewhat to my surprise, Madam Speaker, I was really impressed with this movie, and I am pretty severe critic. This

movie is Canadian. It was shot on locations from Vancouver to Newfoundland, but it is primarily about a brave young Canadian. Terry Fox stirred the emotions in all of us in an unbelieveable way with his run to raise millions to fight cancer. But the film does not portray him as a perfect hero. He comes across in a very human way. At times he is moody, unreasonable, and self-centred. However, in the end the total picture which emerges is one of a tenacious, proud, and determined young man who knew that he was dying but would not go down without a fight.

I make this statement to urge Canadians to see this film. Why has attendance been low? Is it because it is a Canadian film? Just because it is Canadian does not mean that it is second rate. This is a first class movie which helps to keep alive the message of Terry's Marathon of Hope. I urge all of my colleagues to go and see this film. They will not be disappointed.

Some Hon. Members: Hear, hear!

* * *

HOUSE OF COMMONS

SUPPORT URGED OF BLOOD DONOR CLINICS

Mr. Doug Lewis (Simcoe North): Madam Speaker, blood donations are sometimes referred to as the gift of life. Everyone who donates blood contributes in a very real way toward saving or sustaining the life of a fellow human being.

As the House will know, Father Sean O'Sullivan, a former Member of Parliament, is suffering from leukemia. Blood transfusions are used as part of the treatment of that disease. I take this opportunity, Madam Speaker, to urge Members, staff, visitors and members of the media to make a special effort to attend the House of Commons' blood donor clinics which will be held on Thursday and Friday of this week. I especially appeal to those people who have never given blood before to take this occasion to donate blood for the first time.

* * *

[*Translation*]

FISHERIES

CONFLICT BETWEEN FEDERAL AND QUEBEC GOVERNMENTS—REQUEST FOR RESOLUTION

Mr. André Maltais (Manicouagan): Madam Speaker, I would like to draw the attention of the House to a conflict between the Canadian Government and the Province of Quebec concerning the fishing industry. At the request ot the Mouvement Desjardins and the Pêcheurs-Unis du Québec, the Minister of Fisheries and Oceans (Mr. De Bané) has done a great deal to help Quebec fishermen to continue, and in some cases to start fishing. However, because of an administrative problem, the Quebec Government is opposed to a settlement that would benefit the fishermen, and today, senior officials of the Canadian and Quebec Governments are meeting to find a way to settle the Madelipêche issue and, especially, to provide employment for the fishermen.

However, if it turned out to be impossible to reach a settlement agreeable to both parties, I would agree, Madam Speaker, if the Canadian Minister of Fisheries and Oceans were to implement one of the major recommendations of the Kirby report, namely, that the federal Government should repatriate the entire fisheries administration to the central government, for the benefit of all fishermen in Eastern Quebec and Eastern Canada. I think we should support the federal Minister of Fisheries and Oceans, who is trying to find a settlement that is satisfactory to all parties, and not just to one of the parties, namely the Government of Quebec, which would be doing a disservice to the fishermen of Madelipêche and all fishermen in Eastern Quebec.

• (1415)

ORAL QUESTION PERIOD

[*English*]

CANADIAN NATIONAL RAILWAYS

INVESTMENT IN CAST SHIPPING GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I have a question for what appears to be one of the more beleaguered Ministers in Cabinet, the Minister of Transport. I know he has problems with Maislin, the Challenger, Canadair, Air Canada, and so on, but the urgency of the Government's position with respect to any further investment by Canadian National Railways in the Cast group compels me to put the question. Will the Minister tell the House and the people of Canada why the Government does not believe that debt of upwards of $200 million is inexcusable in terms of Canadian National's involvement, or that the Government will take some action to prevent CN from incurring five cents more debt in the Cast group?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the decision as to the future of the CN-Cast alliance has not been taken yet by Cabinet so I am not in a position to comment either way. That decision will be taken soon, but it has not been taken yet. I understand that my hon. friend is afraid this might have an unfavourable influence on the Port of Halifax. I wrote to him publicly recently to explain that this was not going to be the case, because of geography, of freight rates, and a number of factors, Halifax and Montreal serving different markets.

I rejoice in the fact that in recent days three companies serving the East Coast have shown interest in moving to Halifax. I understand that one has already done so and another is about to do so. This demonstrates that the two ports serve different markets.

Oral Questions

GOVERNMENT POSITION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, our concern not just for the Port of Halifax and East Coast ports but for all Canadians with respect to this investment is that it now appears that the Government is favourably considering allowing Canadian National Railways to pour between $32 million and $200 million additional debt, over and above the $62 million it has already plowed in when, in its own words, it has already acknowledged that this was a bad decision made seven years ago. Why is the Government now giving favourable consideration to allowing an even further indebtedness by Canadian National Railways, and hence the taxpayers of the country, in a company that is owned offshore, returns no profit, no taxes, and no jobs for Canadians? Why is that?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, we will not know before this decision is made if consideration was favourable or unfavourable. It is only when Cabinet says yes that we know the consideration was a favourable one.

With respect to the figures used by my hon. friend, I can only say that they do not correspond to the reality of the proposal before us.

Mr. Forrestall: Madam Speaker, I am not certain of the figures, and that is why I say it is somewhere between $32 million and $200 million. Eleven capital ships cost somewhere around $200 million or $250 million.

INQUIRY RESPECTING CABINET DECISION ON PROPOSED MERGER

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, for about three weeks now the Chamber and the Standing Committee on Transport and Communications have been held up in their examination of the annual report of Canadian National Railways at the request of the Government and CN in order to allow time for Canadian National to complete negotiations with Cast. Can the Minister tell us whether those negotiations are complete, whether submissions have been made in the due process to Cabinet for decision, and where that matter stands on the Cabinet and Treasury Board schedule? When will we know what the decision will be?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend will really have to wait to know the terms of the merger before he comments on it, and before I comment. I said that the proposals were before Cabinet, so consequently the negotiations between Cast and CN have been concluded.

• (1420)

INDUSTRY

MAISLIN TRANSPORT LTD.—GOVERNMENT LOAN GUARANTEE

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Last summer the federal Government guaranteed a $34 million loan to Maislin Transport. Is the Government considering an extension of further loan guarantees to Maislin Transport at the present time?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): No, Madam Speaker.

COMPANY LOSSES

Mr. Doug Lewis (Simcoe North): Madam Speaker, rather than ask whether or not the decision has already been made, I would like to ask the Minister another question. During the first nine months of 1982, while they were negotiating this loan, the company lost $13.9 million. The final quarter figures have not been filed and the annual financial statements have not been filed. The Ontario Securities Commission has delisted them. They are in default at the present time. My question through you, Madam Speaker, to the Minister is this: did the company lose more than $13.9 million last year, and does the Government have those financial statements yet?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, as I have indicated several times in the House, I feel it is most inappropriate to take advantage of our immunity as parliamentarians to discuss commercial, confidential information of a Canadian company—

Some Hon. Members: Oh, oh!

Mr. Lumley: —particularly when the shares of a company are publicly traded and where there are hundreds of jobs in the company, as well as its affiliates and suppliers at stake.

* * *

DISARMAMENT

UNITED STATES CONTRIBUTION TO GENEVA NEGOTIATIONS

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, my question is directed to the Prime Minister. As he will recall, the Summit text on arms policy stated, and I quote:

> In the area of INF, in particular, we call upon the Soviet Union to contribute constructively to the success of the negotiations.

This assumes that the U.S. is already contributing constructively to the success of the Geneva negotiations, since only the Soviet Union is mentioned. Is it the view of the Prime Minister that the U.S. is in fact contributing constructively to the

Geneva negotiations when the President says, as he did yesterday after the Summit, and I quote:

> Frankly, my own opinion is that the negotiations won't really get down to brass tacks until they—

The Soviets.

> —see that we are going forward with the scheduled deployment.

"—going forward with the scheduled deployment". Is it the Prime Minister's view that this is a constructive contribution to the success of the Geneva negotiations?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, my view is reflected in the final communique which was accepted by all participants. I believe that the Hon. Member will see that in that communique two messages were contained. One was to the Soviet Union to indicate that it had to take seriously NATO's decision of December, 1979, to deploy Euro missiles unless there was a solution to the problem of the S.S. 20's. The message is in there and I feel it is important that the Soviet Union understands that message. At the same time there is another message which is written throughout—that the NATO countries' decision, as supported by some countries at Williamsburg which are not members of NATO, is to the effect that we also want serious negotiations in the hopes that we will find an alternative answer to the deployment of the S.S. 20's other than full deployment of the Euro missile, which NATO contemplates. That is the message therein.

I should not be asked by the Hon. Member if I support every comment, made by any participant, around that communique. It is certain that the communique was as a result of a compromise, and that is the way it should be interpreted.

Some Hon. Members: Hear, hear!

STATEMENT MADE BY UNITED STATES PRESIDENT

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, the quote which I just read to the Prime Minister was not in the Summit text. It was the comment of the President afterwards, in fact the next day afterwards. Again, President Reagan has said that, in his opinion, there should be deployment first, serious negotiations after, a one-track policy. Can the Prime Minister tell me, perhaps, whether he agrees with this or whether the other Summit leaders agreed with what is essentially now a one-track policy, as far as President Reagan is concerned? While he is standing, Madam Speaker, could he tell us whether the Summit leaders engaged at all in the discussion of merging the two talks, the INF and the START talks?

• (1425)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I would venture to say that President Reagan's statement as quoted by the Hon. Member is not an abandonment of the two-track policy. It is perhaps a view of the future that President Reagan and, I must say, some other participants at the Summit have, that the Soviets will not talk seriously until we begin deployment. That is a view held by some members of NATO and no doubt by others. It is not the view that was held by the consensus at NATO, nor by myself representing Canada. But it does not mean that President Reagan has abandoned the two-track policy. It means that he thinks that no matter how hard we try the Soviets will not agree and that we will have to deploy before they take us seriously. That is his view and it is shared by other participants. It is not mine, but I repeat it is not a contradiction of the two-track policy; it is more in the area of speculation.

Miss Jewett: I guess it depends on one's interpretation of the words "contribute constructively" to the success of the negotiations.

MEASUREMENT OF SUCCESS OF NEGOTIATIONS

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, since the Prime Minister does not want to address the, I think, very important question of merging the intermediate and strategic talks and negotiations, then I will ask him concerning the success of the negotiations in Geneva. Since the Prime Minister and the Government now tie in the question of testing or not testing the Cruise very closely to the outcome of the Geneva negotiations, can the Prime Minister say what a successful outcome would be? What are the objective criteria for measuring the success of the Geneva negotiations?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I would want to reassure the Hon. Member that I was not attempting to avoid the last part of the previous question relating to merging of the two talks. I would have to say that there was not a great deal of discussion about it. It came up incidentally in the discussion, and I think it is fair to say that some participants think that, sooner or later, both talks will have to be merged and that we will be dealing with the INF and the START talks in the same series of meetings. However, that is once again conjecture about the future. There is an historic difference in that the INF decision was a NATO decision taken in December, 1979. It was taken by the previous Government and it has been supported by our Government. Therefore, we are proceeding with these talks now.

As to what will happen in the future, I personally think we should be giving greater encouragement to a conference on disarmament in Europe, an idea which has been canvassed at Madrid. I think it would be a very good thing if negotiations could take place in Europe, so that those people like the Hon. Member who do not think that the Americans are negotiating to her taste would at least have the reassurance that many of the Europeans do share President Reagan's view on the subject of her previous question.

As to the—

Miss Jewett: Objective criteria.

Mr. Trudeau: As to the latter part, Madam Speaker, I cannot give any objective criteria. I think any negotiation

which resulted in complete abandonment of the SS-20s would be ideal, but that is the zero option which does not seem realistic to us. I would hope, and the language of the communique addresses this question, that discussions will permit a level of deployment agreed to in the discussions, or of non-deployment agreed to in the discussions. The communique, I think, would be very unwise, and I would be very unwise, to put forward any figure at this particular time because it would be another step at a bargaining table where I am not present. I do not think it is necessary now even for the United States to put a specific figure on the table. I hope we will be hearing very specific proposals, rejected or accepted, before the end of December.

* * *

• (1430)

INDUSTRY

MAISLIN TRANSPORT LTD.—STATEMENTS BY DEPARTMENTAL OFFICIAL

Hon. Erik Nielsen (Leader of the Opposition): I have a question to ask the Minister of Industry, Trade and Commerce following that asked by the Opposition House Leader. The Minister cautioned the Opposition House Leader with respect to raising matters which might affect publicly traded shares of Maislin. He should perhaps look to his own Department and give that same caution to an official of his Department who is quoted in this morning's *Gazette* as saying:

—"unless something very extraordinary happens, they will run out (of money) in the near future"—"probably" in June.

"Receivership is a possibility"—

Is the Minister in possession of that kind of information, or is the official in his Department, who has been quoted in this morning's *Gazette*, talking through a hole in his hat?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): I am sure the Hon. Member, who is a former Minister, is quite conscious of the fact that we would all like to know about these unnamed officials or spokesmen who are always being quoted in the press. I just think it is more responsible for Hon. Members on both sides of the House not to discuss confidential commercial information. Also, to my knowledge, the reported statements have not yet been fully audited and sent to the shareholders. Thus, I think it is irresponsible for Hon. Members on either side of the House to comment on these alleged figures.

REQUEST THAT MINISTER DENY STATEMENTS

Hon. Erik Nielsen (Leader of the Opposition): It is very interesting, in view of the nature of the replies we have been receiving from the Minister in response to questions asked by Hon. Members on this side of the House—he appears to be ducking, weaving, and evading any answers—to find that the article on Maislin today appears beside another referring to a "so-slippery customer", and that is what his answers appear to be.

Will the Minister deign to tell us whether the company will run out of money in the near future? Is that his view? Will he tell us whether it is his view that receivership is a possibility? Will he tell us whether his official was correct in saying that there would be a shortfall soon? Will he either confirm these statements or, for the benefit of the Maislin company which he purports to protect by his answers, will he make here today a public denial that any of these assertions attributed to his officials have any accuracy whatsoever? Surely he owes it to the Maislin Company he seeks to protect to clear the air, either by saying that his official is absolutely wrong or that there is some substance to those assertions.

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): First of all, Madam Speaker, the last people in the world whom I would be worry in about ducking or evading are those in the Official Opposition. Second, I will revert back to my original answer. It is not only the company but also there are 1,400 Canadian employees involved. There are shareholders involved. There are all kinds of sub-suppliers involved. I am surprised that the Leader of the Opposition, who claims to be a very responsible parliamentarian, would ask a question of such nature.

Mr. Jarvis: Also involved are Canadian taxpayers who have $34 million at stake.

Some Hon. Members: Hear, hear!

CONTINGENT LIABILITY OF TAXPAYERS

Hon. Bill Jarvis (Perth): I would like to ask the Minister one question. It has absolutely nothing to do with the trading of shares, or employees, or anything else, but, rather, concerns the taxpayer. A guarantee of $34 million of those loans means that the taxpayer may be called to pay, on the basis of the contingent liability, $34 million. How does the Minister, who is the Minister responsible, rate that contingent liability to the Canadian taxpayer—high risk, medium risk, or low risk?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, when those financial statements are tabled before the shareholders and the Ontario Securities Commission—

Mr. Jarvis: Just rate it, Ed.

Mr. Lumley: —the Hon. Member will be able to make his own judgment in that regard.

Mr. Nielsen: Slippery customer.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF SPEAKER AND MEMBERS OF NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

Madam Speaker: I would like to draw the attention of the House to the presence in our gallery of the Hon. Don Stewart, who is the Speaker of the House of the Northwest Territories.

Some Hon. Members: Hear, hear!

Madam Speaker: He is accompanied today by the Hon. Arnold McCallum, Minister of Economic Development and Tourism, the Hon. James Wah-Shee, Minister of Local Government, and some members of the Legislative Assembly.

Some Hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

ISRAEL BONDS PROMOTION CAMPAIGN

Mr. Ian Watson (Châteauguay): Madam Speaker, I have a question for the Prime Minister.

Mr. Nielsen: Of which you have given him notice.

Mr. Watson: As the Prime Minister is aware, General Sharon is the former Israeli Defence Minister who possessed ultimate responsibility for Israel's obligation under the terms of the Geneva Convention to protect the inhabitants of occupied territories, the man whom an Israeli commission has labelled as having responsibility for the massacre of unarmed, innocent civilians, estimated independently as amounting to more than 2,500 men, women and children. This brave Israeli General will be at the Ritz-Carleton in Montreal tonight to sell Israel bonds.

Leaving aside the disgraceful lack of sensitivity of the organizations which invited Sharon to Canada, I wonder if the Prime Minister might care to offer any advice to those Canadians who may be thinking of purchasing Israel bonds which, in the light of present Israeli settlement policies on the West Bank, are a wonderful investment in world instability and Middle East disorder.

Mr. Hnatyshyn: Refer them to Jim Fleming.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is asking me for advice. I am afraid that, concerning this question of the Middle East, I would not be able to offer advise just at this particular point which would be satisfactory to both sides.

Some Hon. Members: Oh, oh!

Mr. McKinnon: That has been the answer for 2,000 years.

FINANCE

WILLIAMSBURG SUMMIT COMMUNIQUÉ ON REDUCING GOVERNMENT DEFICITS

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is addressed to the Minister of Finance. The Minister represented Canada at the Williamsburg Summit where Canada and six other nations issued a joint communique which committed them to reducing budget deficits in order to reduce interest rates, and also to constrain Government spending. We welcome that, of course, because that is the position of the Conservative Party. However, can the Minister explain how he intends to carry out his Summit commitment when his own deficit will increase by 50 per cent this year over the last year's published estimates, and when his own Government expenditures are increasing at twice the rate of inflation?

Mr. Fisher: Same question as yesterday, word for word.

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I thank God the leaders of other countries have more foresight than the Conservative Party in Canada. None of the countries concerned is talking in terms of immediate reduction of their deficits. They have all agreed that, whether it is in the United States, or Canada, or other countries, this action would take time and would have to be done on a gradual basis in the medium term. Therefore there was unanimous agreement that we should take steps to reduce the Government deficits and, as the communique states, particularly through control of Government expenditures.

I indicated in my budget of April 19, a copy of which I will be very happy to send to the hon. lady, that the Government of Canada has indeed forecasted that the growth of Government expenditures would not exceed the trend growth of the GNP over the next few years. Therefore the Government deficit would gradually and steadily decline in proportion to GNP over the next four years. We will continue to address this issue seriously, but responsibly, and not in a savage way at the expense of the people in this country who need help and support at the present time.

GOVERNMENT POLICY

Miss Pat Carney (Vancouver Centre): My supplementary question is also directed to the Minister of Finance. I find his words to be inconsistent with the track record of the Government, which has managed to double the accumulated net debt in the last three years, and plans to double it again in the next three.

Some Hon. Members: Hear, hear!

Miss Carney: Speaking for Canada, the Minister of Finance told the U.S. that it must reduce its budgetary deficit of about $200 billion in order to reduce interest rates. He warned that continuing high rates of interest could choke off economic recovery. Of course this is what we have been saying about his own budget deficit. Why is the Minister urging the U.S. to

reduce its deficit while he is expanding his own deficit here in Canada? Why is he not willing to practise what he preaches?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member will be happy to learn that between 1975 and 1981 the Canadian Government, this Government, did reduce the share of the GNP taken by a budget deficit. We achieved a very good record of dealing with this issue on a gradual basis. With the recession which has developed in the last three years, contrary to many other countries, contrary to the advice from a number of Conservative spokesmen on the other side, we have not cut into the social security safety net in this country. We have maintained our help for those in need.

Some Hon. Members: Hear, hear!

Mr. Lalonde: This is what we have done. The deficit is high. We have indicated that it is high and it will come down only gradually over the next few years as recovery takes place.

Concerning the deficit, I have already indicated that we would cut the financial requirements of the Government, in terms of proportion to the Gross National Product, by half over the next four years. As I said, we will continue to address this issue responsibly.

As far as the United States is concerned, it is indeed facing a very serious problem because, not only is its deficit large, but the total amount of money required from the financial markets is huge, over $200 billion, in an economy which has a savings rate which is about half of our savings rate in Canada. I have had discussions this very morning with representatives of private bankers in the United States who are also stressing the importance of the sheer size and magnitude of the U.S. deficit.

• (1440)

We have not told the American authorities or the six other countries that the deficit was not important in Canada. We said we should act together in parallel. I am very happy that we will have the full support and co-operation of all the participants in the Summit in that regard. It has been a very remarkable Summit indeed.

* * *

LABOUR CONDITIONS

LEVEL OF UNEMPLOYMENT

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is for the Right Hon. Prime Minister. After reading and listening to his comments just prior to the Summit, during, and following the Summit, I am sure many Canadians were disappointed when the Prime Minister really failed to mention those people who were suffering the most as a result of the recession, namely, the two million unemployed in Canada. Does the Prime Minister believe that two million unemployed in Canada constitute the cost of the recovery process that we simply must accept as a fact?

Right Hon. P. E. Trudeau (Prime Minister): No, Madam Speaker. If the Hon. Member were to look at the budget and co-operate in its adoption, he would be very happy to see that the $2.4 billion in particular that the Minister of Finance has set aside for immediate job creation through the building of infrastructure in Canada is a very sizable sum which will create jobs in the immediate future. I am informed that the spending of the $2.4 billion has already been allotted and announced. That is creating jobs now.

In the medium term there is another $2.4 billion as an incentive to the private sector to create more lasting jobs—

Mr. Lalonde: And the Crow.

Mr. Trudeau: The Minister of Finance also reminds me that there is some $3.4 billion we have allocated if we can get the Crow legislation adopted by the House, which would create jobs throughout the whole country and, in particular, modernize the infrastructure of transportation in the West.

EFFECT ON ECONOMY

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, I want to say to the Prime Minister that, in spite of the sums of money that he has mentioned, there are many of us in the House who feel that those sums are inadequate to deal effectively with the problem. Many of us feel that the problem is much more severe than is being admitted today.

Does the Prime Minister believe that economic recovery in Canada can take place with the albatross of two million jobless around the neck of the economy? Is it possible with two million unemployed?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the question seems to be somewhat tautological to me. If we had an improvement of the economic situation, and the signs are there, we will obviously be reducing the number unemployed. The Minister of Finance has made it quite clear that this will take time. Therefore the question does not seem very meaningful to me. Of course we can have recovery with a million and a half unemployed. It is happening now. But the answer to whether we will be happy with that measure of recovery is no. We would now want a recovery which would also eventually create jobs for this million and a half unemployed.

* * *

[*Translation*]

FISHERIES

INQUIRY WHETHER PROVINCE OF QUEBEC WILL RETURN BOATS TO MAGDALEN ISLANDS FISHERMEN

Mrs. Eva Côté (Rimouski-Témiscouata): Madam Speaker, I am not so sure whether I should ask this question because it is directed to the Minister of Fisheries and Oceans who . . . has now arrived in the House! We all know that the Quebec

Minister of Agriculture and Fisheries has seized six fishing vessels and sold them to a Quebec Crown Corporation for a nominal price, and that he has also placed under trusteeship the Madelipêche fish processing plant, which is owned by Magdalen Islands fishermen. Could the Minister of Fisheries and Oceans inform the House whether the provincial Government has now agreed to make available to Magdalen Islands fishermen the six boats they need now if they are to use the fishing permits granted by his Department?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, first of all, I would like to thank the Hon. Member for her question, and second, perhaps I may be allowed to recapitulate the facts. It was the end of April, and the fishing season was already well underway, when the Quebec Government first took action against the Pêcheurs-Unis by seizing one of their assets. Needless to say, as soon as one creditor demands his due, the others will follow suit the next day, and it is because of this negative and, I should perhaps say, uncharitable action that the Government of Canada intervened the very next day by asking creditors for an extension. The only action the Government of Quebec took against the Pêcheurs-Unis was to seize assets, although as a creditor it was carrying not more than 5 per cent of the unpaid debts of Madelipêche. I am very pleased to be able to inform the House that all other plants that could be reopened, were reopened with the help of the Canadian Government alone. We still have the case of Madelipêche, and as soon as I have made sure that once action is taken, none of the other plants will close down, the problem will be settled. I have to consider all the problems of the Pêcheurs-Unis and not just a single creditor who wants to seize assets. I am therefore pleased to inform the Hon. Member that negotiations are proceeding, and I hope that very shortly, we shall find a solution to the Madelipêche problem that will not be a threat to all the other plants that are still open. Many people tend to forget that all—

Madam Speaker: Order, please.

* * *

[*English*]

EXTERNAL AFFAIRS

WILLIAMSBURG SUMMIT—REFERENCE TO REDUCING THREAT OF WAR—GOVERNMENT POSITION

Mr. Douglas Roche (Edmonton South): Madam Speaker, my question is directed to the Prime Minister. It again concerns the Williamsburg Summit.

Given that a new Gallup Poll shows that 53 per cent of Canadians believe that present Soviet-American tensions may lead to world war, can the Prime Minister state what the Canadian Government will do to fulfil a key sentence in the Williamsburg communiqué:

> We commit ourselves to devote our full political resources to reducing the threat of war.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think the role that the Canadian delegation played at Williamsburg, in trying to convey to the Soviet Union and the industrial democracies the notion that we wanted serious negotiations, was the beginning of playing that role. If there are any other ways in which we can play that role, I would be happy to entertain suggestions from the Hon. Member.

Mr. Roche: I will take up the Prime Minister's offer.

PALME COMMISSION REPORT

Mr. Douglas Roche (Edmonton South): Madam Speaker, in its arms discussions did the Williamsburg Summit consider the very important Palme Commission Report as a basis for nuclear arms compromise? As the Prime Minister knows, the Palme Commission's Report was signed by representatives of the Soviet Union, the United States, and Third World countries. Did the Summit consider in particular that section which urged Soviet-American agreement on rough parity in medium range nuclear forces at a level which means that NATO will forgo the introduction of new medium range missiles in Europe?

Finally, will the Prime Minister accept the invitation conveyed to him recently by Secretary Andropov to visit Moscow, and use that opportunity to convey to the USSR administration the united front adopted by the Economic Summit at Williamsburg?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as far as getting that message to Secretary Andropov is concerned, I think it is a fair assumption to make that he must have been informed of the message written at Williamsburg. However, if more assurances were needed, I think it is known that Chancellor Kohl of the Federal Republic of Germany will be visiting Secretary Andropov on July 5. I am sure if any emphasis were needed of the seriousness of our intent, Chancellor Kohl would be able to speak for the events which took place at Williamsburg.

• (1450)

Returning to the earlier part of the suggestion as to political determination, no doubt the Hon. Member heard me, in answer to an earlier question, saying for one thing I express the hope that the conference on disarmament in Europe, which is being promoted at the Madrid conference, is something we may see taking place even before December, and perhaps as early as November, but of course that will depend upon the participants at Madrid.

* * *

EDUCATION

AMENDMENT OF CANADA STUDENT LOANS ACT

Mr. Walter McLean (Waterloo): Madam Speaker, my question is directed to the Secretary of State. On Friday,

March 18, the Minister announced that the Government was going to make changes to the Canada Student Loans Act. These changes would finally provide guaranteed loans to needy part-time students, implement an interest relief plan for unemployed graduates, and increase weekly student loan limits from $56.25 to $100. At that time the Minister said he hoped to introduce legislation shortly for quick passage. When will this legislation be presented to the House?

[*Translation*]

Hon. Serge Joyal (Secretary of State): Madam Speaker, I thank the Hon. Member for his question. The legislation is now ready. We have already discussed it with the ten provincial Ministers of Education, who indicated their agreement in a telegram sent to me in April, a copy of which was sent to all Hon. Members. I have told the Government House Leader and my colleagues opposite that we are now ready to proceed, and I understand that the Government House Leader is now discussing the matter with the other leaders to determine when this legislation should be introduced so that we may dispose of it before the House adjourns at the end of June.

[*English*]

NECESSITY TO DEAL EXPEDITIOUSLY WITH AMENDING LEGISLATION

Mr. Walter McLean (Waterloo): Madam Speaker, my supplementary question is directed to the Government House Leader. The Secretary of State indicated that the groundwork has been completed for the legislation to amend the Canada Student Loans Act, and the Minister also indicated the urgency the Provinces give to this legislation in terms of planning for the Fall. Also, a number of student bodies across the country are concerned because students wish to make plans, and need the increased capacity for funding for the Fall.

When will we have this legislation before the House, in light of the commitment of the Secretary of State that the amendments will be tabled at the first opportunity and the House seems prepared to receive the amendments and to deal with them speedily?

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I had a House Leaders' meeting earlier today. On the one hand the House Leader of the NDP told me that he was very receptive to that kind of Bill and that it would receive very quick passage if it were introduced. In so far as the House Leader of the Conservative Party was concerned, he also had a very positive reaction but needed to consult. That is normal. I suppose that is what he will be doing very shortly. If I have two answers that would make it possible for that kind of legislation to be dealt with in the maximum of one day, I will very seriously consider dealing with the Bill before the end of June.

STATUS OF WOMEN

WAGE PARITY IN PUBLIC SERVICE

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my question is directed to the Minister responsible for the Status of Women. The federal Government should be sure that its own house is in order before the Minister claims to be leading on equal pay for work of equal value. Last year the wage gap in the federal Public Service increased by 12 per cent and federal employees had to launch their own personal complaints with the Canadian Human Rights Commission. Obviously the system itself must be changed.

What federal Government resources have been assigned to review job and pay classifications so that equal pay for work of equal value is a reality for all women public servants, and not just a paper promise?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, indeed it is not a paper promise. If the Hon. Member were to review some of the most recent settlements, she would know that the federal Government has put its money where its mouth is. In fact the last settlement was something like $17 million. I would suggest to the Hon. Member that that is not a paper promise; it is big money.

Also I would suggest to her that this sort of legislation to which I refer must take place in all Provinces, if we are to see that wage gap reduced. At the federal level, I would point out that that wage gap is far less than what it is for average wages of women across the country. That is where we must make the change.

Mrs. Mitchell: I think the Minister has missed the point. It is a systemic change that is needed.

DELAY IN HUMAN RIGHTS COMMISSION DECISIONS

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my supplementary question on the same issue is directed to the Minister of Justice. When equal pay complaints are lodged with the Canadian Human Rights Commission, months, and sometimes years, pass before women are compensated. A complaint on behalf of 7,400 Bell Canada telephone operators was filed in June, 1981, and is still in progress. Will the Minister of Justice agree that the understaffing and underbudgeting of the Canadian Human Rights Commission are responsible for this hold-up and that justice delayed is justice denied? What will he do to change this?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I will take notice of the question. The Minister of Justice was talking to a colleague in the House just behind the Hon. Member, so he will give an answer later.

THE ECONOMY

REBUTTAL OF TELEVISION NEWS REPORT

Mr. Leonard Hopkins (Renfrew-Nipissing-Pembroke): Madam Speaker, my question is directed to the Right Hon. Prime Minister. Several comments about the economic recovery of the seven leading industrialized countries have been emerging from the Williamsburg Summit meeting. I understand there is an internal American report which indicates that Canada's economic recovery is second only to that of the United States. In light of this, would the Prime Minister comment on one television news report which indicated that, with the exception of Canada and France, the economies of the industrialized nations represented at Williamsburg appeared to be on the road to recovery? Would the Prime Minister also comment on the downward trend of inflation and the comparative financial stability of the seven most industrialized countries?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member asks me to comment. I could only say that, if indeed there was a report of that nature, it is very seriously misrepresenting the truth and the facts. As everyone at Williamsburg and, I would say, anywhere else, realizes, the recovery in the United States is taking hold and it is taking hold in Canada, but there are some countries in Europe where that is not as certain. I think it is fair to say that most of the participants would be rather envious of Canada's economic performance in the recent half-year.

* * *

CROWN CORPORATIONS

CANADAIR—PRESIDENT'S COMMITTEE STATEMENT

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Minister responsible for social development who replies for Canadair and other companies of that nature. The Minister will know that in the Standing Committee on Finance, Trade and Economic Affairs on November 16 the Hon. Member for La Prairie received an answer from the chief executive officer of Canadair Limited with respect to the Lycoming matter. He said:

> We are very happy with the Lycoming engine and the performance of the company on deliveries.

If that statement is the truth, why is the Government of Canada financing a law suit for over $100 million against Avco Corporation of Greenwich, Connecticut?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I find the question superfluous. First, I cannot answer for the person who made that statement before the Standing Committee; second, I have not seen any such statement, and third, after due consideration, Canadair autorities have decided to take legal proceedings against the manufacturer of these engines, and I imagine that if they made that decision, they had very good reasons to do so.

[*English*]

PRESIDENT'S PENSION BENEFITS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I take it from the Minister's answer that Mr. Frederick Kearns, President and chief executive office of Canadair Limited, lied to the parliamentary committee. May I point out to the Minister that he not only repeated that statement to myself but to the Hon. Member for York-Peel. He repeated that misinformation or lie three times. He did what St. Peter did. Would he tell us how Frederick Kearns is allowed to retire early and receive pension benefits of over $100,000 per year, with that performance and that representation to the House of Commons?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, if the Hon. Member wants to make charges against certain people, he may do so, but he will then have to live with it. On the other hand, the Hon. Member is well aware that the Standing Committees of the House will have the oportunity next week to consider estimates, at which time Hon. Members will be able to summon certain witnesses to appear. The Hon. Member may then summon this particular individual to appear in order to question him and ask him to explain his statements.

* * *

• (1500)

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, May 31, 1983, meet the requirements of the Standing Orders as to form.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Lewis: Madam Speaker, I rise on a point of order having to do with House business. I would advise the Government House Leader that I have had an opportunity to consult with the Hon. Member for Waterloo (Mr. McLean). The Government House Leader may have inadvertently disclosed something that came up in the House Leaders' meeting; I do not suggest he did it deliberately. However, if the Government will introduce the Act to handle student loans, and extension of it, we will be able to compare it with the draft Act. Once that

is done, I am sure we can have a speedy decision on the actual Act.

Mr. Pinard: Madam Speaker, we will consider tabling that Bill very soon in light of the first reaction, which seems to be positive. It was not by inadvertence that I referred to this discussion since the question was asked of me by a Member of the Hon. Member's caucus. I took it for granted that they had talked together and that I was free to refer to the discussion. Otherwise, I would not have expected a question to be asked by one of his colleagues on this matter.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. SKELLY—ABSENTEE BALLOTING SYSTEM

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the honour to present a petition from a large number of women in Delta who form an auxiliary to the fishermens' association that the Government of Canada and the Chief Electoral Officer place within the Canada Elections Act an absentee balloting procedure so that people are not disenfranchised during the federal election voting period.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATES

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have the duty and honour to present a petition this afternoon from people mostly in the Province of Alberta who have asked me to present it to the Honourable the House of Commons in Ottawa in Parliament assembled.

The petition of the undersigned residents of the Province of Alberta who now exercise the right to present a grievance humbly sheweth that the removal of the Crow rate will see its replacement by rates that will impose higher freight costs of five times the present Crow rate and higher by 1990. Such increases are being imposed at a time when prices for producers' grain are now at 1974 levels and detailed calculations show that a rate of 5.1 times the Crow rate would cost the community of St. Paul, Alberta some $1,197,200 per year by 1990 in payments for grain freight that would otherwise have stayed in that community based on the actual deliveries in the 1980-81 crop year.

Wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by statute, and as in duty bound your petitioners will ever pray.

[*Translation*]

MR. HEAP—REQUEST FOR LANDED IMMIGRANT STATUS FOR MRS. ROSELINE VINCENT

Mr. Dan Heap (Spadina): Madam Speaker, I have the honour to present a petition from residents of Hull who humbly declare that 28-year-old Haitian Roseline Vincent entered Canada in 1977, that shortly after she filed a request for permanent resident status with the Department of Employment and Immigration, which has yet to reply, that this women is now being threatened with deportation, that her return to Haiti would be to her prejudice.

Wherefore your petitioners humbly pray and call upon the Parliament of Canada to grant her the status of landed immigrant.

In duty bound, your petitioners will ever pray.

[*English*]

MR. RIIS—PORNOGRAPHIC FILMS ON PAY TV

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, it is my privilege to present a petition on behalf of a number of individuals in the Kamloops-Shuswap constituency concerned about the First Choice Pay Television pornography showing. They encourage the House of Commons to consider a Bill that would add the word "sex" to Section 3 of the Broadcasting Act in an effort to remove pornographic and sexually violent films from television programming.

MR. ANGUISH—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have a petition which I would like to present to the House this afternoon from residents of the community of St. Walburg in my constituency to the Honourable House of Commons of Ottawa in Parliament assembled.

The petition of the undersigned residents of the Province of Saskatchewan, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that Your Honourable House will therefore provide a remedy, humbly sheweth that the Cruise missile is designed to carry a nuclear warhead, that the Cruise is a first-strike weapon rather than a defensive one, that there can be no winners in a nuclear war. Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to press for compliance with the Prime Minister's strategy of suffocation as set out in the United Nations special session on disarmament—

Madam Speaker: Order, please. I must remind the Hon. Member that he should read solely the title of the petition. He is not allowed to expand on the petition, nor to argue it. This is the second petition he has presented today. Both presentations were much, much too long, more than the Speaker can accept.

Mr. Anguish: Madam Speaker, in the past I believe that your ruling on presentation of petitions was that they must be within a period of one minute. I certainly have not taken anywhere near a minute.

Madam Speaker: I will then have to rule on the number of words that can be included, because some Members are really taking advantage of the time that should be allotted to petitions. I think I will consider that for next week.

Mr. Anguish: —thus retaining and fortifying Canada's role in the world as a peacemaker rather than an aggressor. We, your petitioners, are indignant over the Prime Minister's agreement to allow American testing a weapons at Canadian locations, believing that, rather than being a stabilizing factor, this will tend to further destabilize an already precarious balance of nuclear terror between the superpowers.

Madam Speaker: Order. I would invite the Hon. Member to file the rest with the Clerk. Is the Hon. Member rising on a new petition?

Mr. Anguish: Yes, Madam Speaker.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATES

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have a petition I would like to present this afternoon. Incidentally, all members of the Saskatchewan Wheat Pool have signed this petition. They ask that western farmers not pay anywhere beyond the statutory Crow rate. I would like to present this petition on behalf of the petitioners. Wherefore, the undersigned your petitioners humbly pray and call upon Parliament to maintain the statutory Crow rate.

* * *

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. 4,770, 4,819 and 4,875.

[*Text*]

DEPRECIABLE ASSETS OF RAILWAY COMPANIES

Question No. 4,770—**Mr. Malone:**

1. Are railway companies allowed to depreciate grain hopper cars for tax purposes?

2. Are the companies allowed to depreciate grain hopper cars for tax purposes that were purchased by (a) the federal Government (b) provincial Governments?

3. Are the companies allowed to depreciate costs incurred in the rehabilitation of railways?

4. Are the companies allowed to depreciate costs incurred of rehabilitating railways that were paid by the Government?

Hon. Pierre Bussières (Minister of National Revenue): 1. Yes.

2. Not if the grain hopper cars are owned by the federal or provincial Governments. However, if the railway companies received a grant for the purchase of grain hopper cars the amount of the grant would reduce the capital cost of the property that may be depreciated by the railway companies.

3. Yes, to the extent that the costs incurred by the railway companies relating to the acquisition of depreciable assets are not reduced by government grants.

4. No.

DSS—CENTRAL TRAVEL SERVICE

Question No. 4,819—**Mr. MacKay:**

1. With reference to the recent increases in travel allowances for the Public Service, what was the amount paid for flights to the Central Travel Service for the period ending June 1982, minus the 1 per cent commission which has been agreed upon, for Air Canada and CP Air?

2. How is the 1 per cent commission allocated after it is deducted by the Department of Supply and Services and does it go back to general revenue?

3. Is there any difference in the arrangements made with CP Air as opposed to the arrangements made with Air Canada?

Hon. J.-J. Blais (Minister of Supply and Services): 1. For our first accounting period (April 9 to June 29, 1982) the amount paid for flights after deduction of the 1 per cent collection fee was $24,752,634. Of this amount Air Canada received $21,308,073 and CP Air received $3,444,561.

2. The 1 per cent service fee covers the collection and payment services rendered by the Central Payment Services of DSS. As such, it remains in the Supply Revolving Fund which is an account in the Consolidated Revenue Fund.

3. No.

CANADIAN BUSINESS AND INDUSTRY INTERNATIONAL ADVISORY COMMITTEE

Question No. 4,875—**Mr. Mazankowski:**

1. Is there a Canadian Business and Industry International Advisory Committee and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the Government?

2. (a) What are the terms of reference of the Committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Committee publish in the fiscal year 1982-83?

Hon. Gerald Regan (Minister of State (International Trade)): The Canadian Business and Industry International Advisory Council (CBIIAC) is a voluntary private sector organization which does not receive direct or indirect funding from the federal Government. Questions pertaining to the terms of reference, composition and activities of the Advisory Council would, therefore, be most appropriately directed to the organization itself for reply.

[*English*]

Mr. Smith: I would 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.

* * *

[*English*]

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

[*Translation*]

Madam Speaker: Shall the remaining notices of motions stand?

Some Hon. Members: Agreed.

● (1510)

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Blaker): Order, please. Shall all orders listed under Private Members' Public Bills preceding order No. 484 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

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NARCOTIC CONTROL ACT

AMENDMENT RESPECTING THERAPEUTIC USE OF HEROIN

Hon. Walter Baker (Nepean-Carleton) moved that Bill C-684, an Act to amend the Narcotic Control Act (therapeutic use of heroin), be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, I would first like to express my thanks to the authorities of the House who arrange Private Members' Business for allowing my Bill to come forward today. This Bill received first reading in the House on April 29, 1983 and its purpose is as set forth in its title. It is to amend the Narcotic Control Act to allow for the therapeutic use of heroin by designated physicians, particularly those in cancer clinics, to alleviate pain for those who are terminally ill and suffering from cancer.

I do not think there has been another Bill like this introduced in the House of Commons. There has been legislation introduced in other jurisdictions, but it is this jurisdiction which has the right to deal with the matter.

For historical purposes, because of a treaty, undertaking or agreement through the World Health Organization in 1954, heroin, which had been previously used as a prescriptive drug by physicians, was denied to those physicians for any purpose. Recently, there has been a strong feeling growing within the public of Canada and within some segments of the medical profession that those who fight against cancer should have every possible armament and every possible arrow in their quiver to relieve the anguish and the pain of the terminally ill.

If I may, I want to pay tribute to Dr. Kenneth Walker of Niagara Falls who, in a column under the pen name of Gifford-Jones, has raised the issue of the therapeutic use of heroin. Indeed, he has a petition which, at last count, was signed by 15,000 Canadians that he knows of who have indicated their support. I want to pay tribute to him for keeping this issue in the forefront of our minds.

I also want to pay tribute to another group of people. I became interested in the subject of the therapeutic use of heroin for a very personal reason. My wife has beaten cancer twice. During her fight with cancer, I came to know and to meet and to talk to many people who were suffering from cancer in the real sense of the word. Fortunately, we are thankful that my wife was not in that position. I talked to these people and their families, to members of the medical profession, members of the nursing profession, and to many other Canadians. I believe that confession is a good thing from time to time, and I confess to the House that this is what raised my interest in this subject.

In 1982 I sent out a questionnaire to some 40,000 homes in my riding, the constituency of Nepean-Carleton, which is the same as any other constituency. The return on that questionnaire was unprecedented. Of the 40,000 questionnaires sent, there were 10,000 responses. That means that 25 per cent of the families in my constituency responded. Of those 10,000 responses, 92 per cent—I repeat, 92 per cent—of the people agreed with the proposition that physicians should be armed with every possible weapon in the fight against cancer.

I want to tell you, Mr. Speaker, that letters I received from people who were then suffering the anguish of cancer, people who were watching loved ones suffer the anguish of cancer, hardened my resolve to bring this matter before the House of Commons at some time because I believe that when these questions are asked and responses given, one has a duty to the people who responded. I had frankly hoped that this session of Parliament would be over and we would be into a new session, and perhaps that will be the case, I do not know; but I could not wait any longer to bring this Bill forward.

Opinions in the country are divided on the subject of the therapeutic use of heroin. There are divisions of opinion in the medical profession, but the very fact that there are divisions of opinion indicates that in the medical profession and the nursing profession there are those who professionally feel that heroin is a help to the terminally ill, and there are certainly members of the public who share those feelings. In a few

moments I will tell the House about some of the things that people have written to me about that indicate the depth of feeling there is in at least one constituency, and I now believe that that depth of feeling would be the same across the country.

I want to pay tribute to the Minister of National Health and Welfare (Miss Bégin) who I believe has within her a broad streak of humanity. A year or so ago, the Minister of National Health and Welfare commissioned an in-house inquiry into the whole serious question of the methods available for the alleviation of pain. She consulted with Dr. Kenneth Walker who came to Ottawa, and she has no doubt consulted privately with the Department. Just recently she made an announcement in the House that, at long last, there is sufficient doubt about the position of the law in Canada at the moment and there is indeed sufficient evidence to permit a period of experimentation with respect to testing the appropriateness of the use of heroin, not with all patients but at least with some patients, to alleviate the horrible anguish that has been described to me and seen by other Members of the House of Commons, and indeed by almost every family in Canada who has had a friend or relative affected by this disease. That experimentation will now be carried out and will be worth while. It is because of the people who have responded to me, because of the work of Dr. Kenneth Walker and because of the interest and concern shown by many people inside and outside of the House of Commons that the Minister has exhibited her broad streak of humanity.

Medical opinions on either side of the question could be quoted until they come out of our ears. I do not intend to do that, although I have those opinions in my files. I want to read to you, Mr. Speaker, in capsule if I may, a letter that I received from a physician in my constituency which I think is exemplary of the situation that exists. It is a letter from Dr. Colin D. B. Cunningham on the letterhead of the Queensway-Carleton Hospital in the City of Nepean. He wrote:

> I am a physician and trained in Edinburgh, Scotland qualifying in 1966. Since then I have done various residencies and practiced in medicine, surgery, obstetrics and general practice. More recently I trained in diagnostic radiology and since coming to Canada in 1973, this has been my specialty.
>
> However, prior to training in radiology in the other branches of medicine in which I have practiced I had many occasions in which I could and did use heroin. As you know this is available as a prescription drug in the United Kingdom—

● (1520)

By the way, it is available in about 37 other countries in the world.

> —and we used it not infrequently for patients in severe pain either by itself or in conjunction with other drugs in a wonderful concoction known as the Brompton Cocktail, the patients most being in need of course being the late or terminal cancer patients. As I am sure you are aware the extreme pain that some cancer patients have to endure has to be seen to be believed.
>
> Quite frankly it was with some horror when I immigrated to Canada that I discovered that this drug was not available here. I do find it totally incomprehensible that such a valuable drug should be unavailable for those who need it so badly in so many cases of painful illness and my opinion is that its availability or not as a prescription drug does not make the slightest difference to its availability on the streets in the case of drug rings and pushers. I would suggest that its availability as a prescription drug would not in any significant way increase the number of heroin addicts due to misuse of the drug and even if so I would question the morality of not having the drug available for those that need it in order to attempt to reduce the number of drug addicts on the street or elsewhere.
>
> There is no other drug quite like heroin or is as effective as heroin in suppressing pain and discomfort and I feel most strongly that it should be available as a prescription drug to alleviate the terrible pain and suffering of some late or terminal cancer patients and others.
>
> I would be prepared to support privately and publicly any move or legislation to permit the use of this drug in this country on a prescription basis.

I have had letters from professors, universities and physicians who have said that this is a medical problem. I have written back to say yes, it is a medical problem, but it is also a social problem. Whether we are talking about the medical profession or the legal profession, the public has the right to look into the operation of those professions and to have something to say about the way they are practised and what government policy is. That is an opinion that I advance to the House in the few minutes I have with respect to the positive use of this drug.

I want to read another letter from a man in my constituency who died painfully from cancer. He wrote:

> I wish that every person negatively involved would feel the excruciating pain a terminal cancer patient has to go through until he or she dies.

He goes on to say:

> Where are all our MPs and MLAs who send out monthly form letters telling us all the good things they are doing for us? When asked to take a stand on this issue, all they give are evasive statements.
>
> Are the politicians and the CMA afraid that a terminal cancer patient will become addicted to heroin? And if so, what's the difference: 99.9 per cent are going to die shortly anyway.

That man died shortly after the letter appeared in the newspaper. Mr. Speaker, I cannot quote all the letters but I am prepared to show them to any Member of the House. The replies are typical of the responses that accompanied the questionnaire. I have letters from nurses and nursing assistants. The night after the Bill was introduced in the House a nurse came to me at a community association dance in Barrhaven, grabbed me by the arm and said; "Mr. Baker, that is a good Bill. It is necessary and I hope that Parliament will deal with it. I see them day after day. I stay with them night after night. Regardless of what people say I have seen that the existing therapy is not always effective. More should be done." If there were one, two or three people who could have their pain alleviated where it could not be alleviated in other ways, then I think this is worth while.

In answer to the question whether this should happen, a registered nurse wrote as follows:

> Most definitely!! Hurry up about it! The agony suffered by many is inhumane—If morphine, cocaine, demerol are considered narcotics do give the physicians the opportunity to offer relief in pain control if the others are ineffective. Cancer is the disease of the 80s. We have to fight it on all sides.

To the question "Do you agree with the use of heroin?", another nurse replied:

> Quite aggressively so. I am a nurse and see many patients in pain—our health care dollar doesn't go very far and we should get the best we can for it.

Another nurse replied:

> As I work in the health care field, any medication that will alleviate the suffering of cancer patients must be allowed.

The word "must" is underlined, Mr. Speaker. And here is a letter from a person who, when she wrote it on June 1, 1982, was facing death from cancer. She wrote:

I unfortunately am a cancer patient—bone cancer. I'm 54 years of age. At the present time the chemotherapy is doing its job but one thought that continually is in the back of my mind and that is the fear of any agony at the end. I'm not afraid to die—it's how that frightens me.

I know that life today would be much less stressful if this thought was erased.

If you can do anything to change the law to permit the use of any drug which would help terminally ill cancer patients I and many others would be grateful.

There is a host of letters. Here is another one from a nurse:

As an R.N. who has cared for many patients with cancer, and seen the indescribable anguish the patient and his family go through, I must strongly agree with authorizing physicians to prescribe heroin for cancer patients, as needed. I hope this matter will swiftly get the attention it deserves from the public and our lawmakers.

This is the opportunity for the House of Commons, Mr. Speaker. If there are some in the House who would argue that there is a problem with respect to control of the drug, that it might be diverted into wrong hands, I agree. But that does not speak to the principle of whether physicians should be armed with every weapon to look after every case to the extent that is possible. That is the principle of this Bill. What the problem of diversion speaks to is care and control.

If Hon. Members will examine the Bill they will see that this is not a drug that can be prescribed and delivered out of a drug store. It may not even be available in the ordinary pharmacy of the hospital, I do not know. It is within the control of the Government to prescribe the regulations. With this Bill, which is the first word on the subject here, there is scope for any motion by committee as to its adequacy with respec to control.

Physicians in 36 countries have that arrow in their quiver. Is there any reason why we ought not to have it here? Is there any reason why this whole issue ought not to be examined publicly? Is there any reason why we ought to fear the right of a committee of this House of Commons, which would have the right if the Bill were approved or if we sent the subject matter of the Bill to committee, to begin the public examination pending the outcome of that experiment that has been initiated, thank God, by a humanitarian as a Minister of National Health and Welfare?

I think that is the issue for the House of Commons, Mr. Speaker. I think it is time that the House faced it. I think it is time the medical profession faced it. I think it is time the cancer societies in the country faced it. I think it is time the public faced it. I ask the House of Commons to support this Bill today so that the public examination can begin.

I want to thank my friend, the Hon. Member for Oxford (Mr. Halliday), a very distinguished family physician, for supporting and seconding this Bill on its introduction for debate.

• (1530)

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, first I would like to thank my colleagues who made it possible for me to take part in the debate at this time, since I should be on my way to another meeting. However, I preferred to remain in the House, because I saw it as my duty to speak very briefly not as a medical expert but as the former Chairman of the Committee on Health, Welfare and Social Affairs, which I led for three years, and above all—and I think that is the main reason—anyone who has ever seen one of his dear ones in the terminal stages of cancer, in almost indescribable pain, will realize that it was very difficult for me to ignore this afternoon's topic and leave the House to attend another meeting.

I want to congratulate the Member for Nepean-Carleton (Mr. Baker) for his patience when he spoke in the House and also for the representations he made to the Minister and to his colleagues in order to make them more aware of a situation existing in hundreds of hospitals across Canada, and unfortunately involving thousands of patients who are waiting for a positive answer from our colleagues.

We all know it is a very delicate situation, and when I questioned the Minister on May 18 of this year, her answer was very hopeful for the patients concerned. She mentioned to us the importance of control and said that she was willing to authorize a number of experiments across Canada next fall, that she was going to organize clinical trials in palliative care units for terminal patients in various locations throughout the country, which would last for between twelve and eighteen months and would be carried out according to a standard scientific protocol that was now being prepared. I think this was a very hopeful response from the Minister of National Health and Welfare (Mrs. Bégin) and I want to thank her.

Following the question I raised in the House, the Member for Nepean-Carleton spoke once again. I think we are making progress. For instance, Friday, May 20, when I was talking to a group of senior citizens in Laval West, two of them came to tell me how important the amendment was, one referring to her mother who was a terminal patient in St. Jude Hospital and the other to someone who was not a relation but was in exactly the same situation. I realized how serious—

Of course I am not a physician, but when I raised the subject on May 18 of this year, the Member for Hull (Mr. Isabelle) who is a doctor, told me how urgent it was to help these patients in order to improve care and relieve their pain.

Consequently, I could not ignore this request, and when I discussed the matter with a doctor on the weekend, he asked me why I took an interest in this problem, and he said: "I suppose one of your close relatives has cancer, and that is probably the reason or one of the reasons you are working on this particular problem."

Well, I am interested in this for two reasons. Firstly as Chairman of our Committee on Health, Welfare and Social Affairs, I have received a great many representations and requests for an amendment to the Narcotic Control Act; secondly, as I said earlier, some of my loved ones are suffering from this condition.

Mr. Speaker, I should like to conclude my remarks by congratulating the Hon. Member for Nepean-Carleton for showing us once again just how patient he can be with the Hon. other Members of the House, as well as the Hon. Minister of National Health and Welfare, for this first step and that ray of hope that some day might lead to a lessening of the excruciating pain these patients are enduring. And in doing so we are not unique in the world. In fact there are already 36 countries, including England, where heroin is being used as a pain-killer. Which does not mean that we have never used it ourselves, but since 1955, we had discontinued using it at the request of the World Health Organization. I suggest it is about time we put an end to the suffering of the patients of today and those of tommorrow. I fully support the request of the Hon. Member for Nepean-Carleton and I urge other Hon. Members to do likewise.

[*English*]

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, in beginning my remarks this afternoon on Bill C-684, a Bill to legalize the therapeutic use of heroin, I would first like to congratulate the Hon. Member for Nepean-Carleton (Mr. Baker) for having the political courage to put before us this kind of Private Member's Bill, and also for having the personal courage to put before all of us an issue which involves a great deal of personal anxiety on the part of anyone who has ever had to deal with a terminal illness, and which has to do with the whole process and reality of human death.

I believe that this is one of the reasons these kinds of questions tend to be put off, not just because of the difficult political questions which attend them, but also because of a natural tendency on the part of everyone not to want to have to deal with these questions. I congratulate the Hon. Member, therefore, for having forced the House, really, to contend with this issue, and I believe Hon. Members are showing good qualities in being able to debate this subject reasonably and being able to dwell on their own personal experiences. I doubt that there is anyone in this House who has not had some personal experience with cancer in the family and who has not had to consider this question.

I do hope that this Bill will go to committee. I certainly intend to support its being passed and going to committee so that further discussion can take place. However, I feel that the fact that this Bill is before us is part of a general trend, and a welcome one I might say, in society today where we are asking ourselves how we can better address the problem of terminal illness, how we can make life more comfortable and more human for people who are faced with a terminal illness.

The question of the therapeutic use of heroin is a part of that larger movement, in which we might also introduce things like hospices for the dying, where attempts are made to create a less institutionalized and less alienated environment for people who are suffering from terminal illness. I see this as all part of what I would call a very welcome trend in trying to humanize the health care system, particularly as it pertains to the treatment of those with terminal illnesses.

• (1540)

As I said before and as everyone knows, the purpose of this Bill is to amend the Narcotic Control Act, thus permitting designated physicians, particularly in cancer clinics, to prescribe heroin as a pain killer for terminally ill cancer patients. The Hon. Member's Bill, which received first reading on April 29, has been, as Members have pointed out, subsequently upstaged to a degree by the announcement of the Minister of National Health and Welfare (Miss Bégin) two weeks after first reading of this Bill that the health department had authorized use of the narcotic heroin as a pain killer in clinical trials to begin this Fall. But we all know that the approval came after a long and controversial media campaign by Dr. Kenneth Walker under the pseudonym of Dr. Gifford-Jones to legalize heroin for this purpose after a formal advisory committee was struck, and which however remained largely inactive. Nevertheless, the Committe on the Medical Management of Severe Pain was struck early this year and directed by the Minister to draw up a guide for Canadian doctors on treating severe pain and to discuss within this document the optimal clinical use of various analgesic drugs, including the medical need for heroin for the treatment of pain associated with pre-terminal malignant disease. Yet as I understand it, Dr. Walker has contended the choice of members of this committee has "loaded the dice" against heroin, and this led him to establish his Gifford-Jones Foundation and to present petitions signed by some 15,000 people last summer in support of his stand.

Perhaps a little historical background would be helpful on this issue, Mr. Speaker. Despite its apparently effective use in other countries, most notably the United Kingdom, legitimate medical use of heroin has not been allowed in Canada since 1955, and since 1924 in the U.S. The UN World Health Organization recommended in 1947 that member countries ban medical use of heroin as a measure to fight increasing illicit use of and addiction to the drug. The WHO's rationale was that such a move would limit the availability to junkies. There was a widespread belief that a synthetic drug of equivalent potency was just around the corner. Neither prediction has come true some 30 years later. The illicit import and use of heroin in Canada is a multimillion dollars business on an annual basis, in spite of the fact that many terminally ill cancer patients have not had the use of this drug available to them over the years. And there is nothing found in nature, with the arguable exception of morphine, or in test tubes that comes close to heroin as an analgesic.

The arguments for and against the therapeutic use of heroin are many and they have been hotly debated. I do not pretend to be an expert on all the matters pertaining to the various arguments, but I would just like to go over a few of them. The

arguments in favour are those such as have been presented by a Mr. William T. Beaver, Prefessor of Pharmacology at the Georgetown University Vince Lombardi Cancer Research Institute in Washington, D.C. He reported in 1981 that heroin is two and a half times more potent than morphine. Heroin is also known to be more soluble than morphine and that, coupled with its greater potency, means that smaller amounts are needed for injection. Therefore the injection itself is less painful for emaciated patients who often have little tissue left for a hypodermic needle.

It has also been argued that no two pain killers are entirely identical, and that a cancer patient who may have an adverse reaction to one drug may yet be able to tolerate another. So the doctors, as the Hon. Member for Nepean-Carleton has said, should have every possible arrow in their quiver available to them when treating particular patients on an individual basis.

It has also been argued that heroin has been used effectively by English doctors for over 80 years, and if the use of the drug is so questionable, why do over 30 other countries use it?

Now, one of the arguments against the use of heroin over the years, Mr. Speaker, is that there is no supportive evidence that heroin provides unique properties in the relief of cancer pain and that other drugs currently available are sufficient if administered properly. But there is no evidence to support that contention either. At least, you can find a scientist to advocate either side of the argument.

It has also been argued that more people may be harmed than helped if it were made more readily available because of its street value as an illicit drug. Supporters of legalization, however, respond to this, as others have already done, by saying that it is a law enforcement problem, not a medical problem, and I agree that this is not a good reason for prohibiting the use of heroin for therapeutic purposes.

It has also been argued that the publicity surrounding legalization may raise public expectations and that it is not a panacea for cancer pain.

The final argument, of course, is that dying patients could become addicted. I think this is the most ridiculous argument of all. That argument first stimulated my interest in this issue when I was a student chaplain at Sunnybrook Medical Centre in Toronto. I was on a ward which contained a great many patients who were dying of cancer. I always remember bringing this matter up with my supervising chaplain and asking why could this not be made available to the patients. He said: "Well, you will not believe this but some of those people that you visited today will not be alive in two weeks and yet the hospital is worried that they will become addicted to heroin". Ever since then this issue has been in the back of my mind and I am glad the Hon. Member for Nepean-Carleton has put it before the House.

I think the House should pass this Bill into committee so that there can be more open public and parliamentary discussion about this issue. I think there is absolutely no reason why the Government should not allow this to happen.

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I must first of all congratulate the Hon. Member for Nepean-Carleton (Mr. Baker) for proposing this amendment to the Narcotic Control Act. The fact that he was able to get 9,000 responses out of 40,000 questionnaires is indeed a remarkable achievement. I also was moved by the personal involvement he had and the sensitivity he expressed to his constituent and her family in the course of her suffering from cancer and his desire to be of some considerable help to her. However, in the few minutes I have, I have to bring before the Hon. Member and this House some of the facts dealing with the use of heroin as a therapeutic agent in the treatment of people with incurable illnesses.

The proposed amendment poses the right question but, unfortunately, it suggests the wrong answer. To think that the problems of people with terminal illness could be completely dealt with through drugs is an entirely wrong concept, one which has to be eradicated. Time and again the complaints which have been put forward are really those of improper attention by medical attendants. As far as the junior chaplain is concerned, it was probably the lack of attention he gave to that person's spiritual needs rather than the dependence on a single drug.

• (1550)

People who have incurable illnesses have considerably more problems than pain. Currently in the medical profession there are numerous drugs and procedures by which to control pain. I do not like to use the term "terminal cancer" or "terminal illness" because it is such an inhuman and depressing assessment of a person. These people are persons. The impression that is left with the public, and very frequently we see it through the television media, is one of people surrounded by various life-supporting gadgets, by pain and by complete isolation. That is not so. These people are individuals, Mr. Speaker, the same as you and I. They know of the problems facing them and they are looking forward, through those last few days, to enjoying the company of their relatives and friends. They want to be back home. They want to be doing the things that they enjoy. That is the concept or approach which is not currently present, and that is the need that they express.

Therefore, rather than focusing attention and spending the time of the House and the money on a variety of researches, it is more important that the money be spent on education of medical students and in assisting doctors to upgrade their knowledge and techniques of controlling pain.

There is a need for the public, for the family, to gather around the person who is incurably ill and to give him the suport that he particularly needs.

Mr. Halliday: I rise on a point of order, Mr. Speaker. I apologize to my hon. friend and professional colleague for interrupting him, but the nature and purpose of the Bill which we are discussing today, as stated on page 1(a), is as follows:

> The purpose of this Bill is to permit designated physicians, particularly in cancer clinics, to prescribe heroin to alleviate pain.

We are discussing the issue of whether or not we want to alleviate pain. I am sure that the Hon. Member for Nepean-Carleton (Mr. Baker) would not dispute the fact that it is necessary to provide many other ancillary types of care to someone with cancer. However, there is no question but that one of the pre-eminent problems is pain. The purpose of the bill is purely to address the question of pain.

Mr. Benjamin: He's reading stuff that the Department of Health sent over. Quit reading what the Department sent you.

The Acting Speaker (Mr. Blaker): All Hon. Members are aware that the most difficult problem of the Chair is always the question of relevance. I have had some concern with the Parliamentary Secretary's remarks because I cannot quite follow the thread of the argument which he presents in terms of the Bill. However, I always have, and every occupant of the Chair always has, the difficulty that we must wait a long time to ensure that the Hon. Member in question is being relevant. Second, if we begin to apply very rigid rules of relevance, then we must apply them equally across the House.

I think I have done what I should have done, that is to say that there is some question in my mind as to whether or not the Parliamentary Secretary is being as closely relevant to the Bill as he might. Therefore, perhaps with that thought in mind he may wish to address himself accordingly.

Mr. Hudecki: Mr. Speaker, actually the point that I was reaching was to address myself directly to the subject of heroin. The first question that I raise is with regard to the authority on which so many of the current statements are based. The various people who have signed these letters have made a decision on the basis of information submitted to them from a variety of sources. Actually, heroin in Canada has not been used since 1955.

Mr. Benjamin: At least legally, that is.

Mr. Blaikie: I just said that.

Mr. Hudecki: Neither has it been used in the United States. It is not in the pharmacopoeia. Doctors have had really no experience with the use of it, except those who practised before the year 1955.

Mr. Blaikie: How could they, if it has been illegal?

Mr. Hudecki: The information comes from book learning, from reading, or it comes from people who have had experience with heroin for non-medical purposes, or from what must be a tremendous number of physicians and people who have come from the United Kingdom. Therefore, the first point is that people are speaking on this subject with apparent authority but they have had no exposure to heroin whatsoever.

I graduated from the University of Toronto in 1940 and practised from 1940 until 1955, at a time when heroin was available to the pharmacopoeia. I feel that I am in a position to speak on this subject with authority.

Mr. Benjamin: Did you prescribe it?

Mr. Hudecki: It was possible to use it as a junior intern and as a resident in surgery. I have had an opportunity to use it while practising general surgery. My impressions are not taken from text books or from opinions handed down from people who are writing on the subject. Indeed, in the *Medical Post* it was indicated that one of the principal promoters of the drug, namely Dr. Walker himself, had never used it professionally.

My impression of the drug is that it is a potent analgesic but that it is a very dangerous drug. During my time in the hospitals it was used quite widely for obstetrical patients in labour. At that time labour was very often prolonged. I might point out that many of the babies were born completely blue and required a considerable amount of resuscitation.

Again, the drug was used for surgical patients and there were numerous post-operative complications. These were related to the side effects of the drug which cause a depression of respiration and of the cough reflex. As a result, many patients developed bronchial pneumonia and died needlessly. Again, I bring this point forward because that is exactly the type of patient with which we are dealing.

Mr. Pinard: I rise on a point of order, Mr. Speaker. I want to apologize to my colleague, the Parliamentary Secretary to the Minister of National Defence (Mr. Hudecki), for interrupting him in the midst of his speech, but we have been negotiating between House Leaders and it seems that we have reached an agreement. I must attend an important meeting which is being held now. I would appreciate receiving the unanimous consent of the House to read our agreement at this time. If there is unanimous consent to permit me the time, I will speak for perhaps five minutes or less, so that the Parliamentary Secretary is not penalized.

Mr. Baker (Nepean-Carleton): It is my Private Member's Bill which is being discussed. I appreciate the offer of the extra time. I certainly think that that is a reasonable condition and I am agreeable to it.

Mr. Pinard: I thank the Hon. Member for Nepean-Carleton for his usual courtesy and I will try not to abuse the privilege.

* * *

BUSINESS OF THE HOUSE

DISPOSITION OF BILL C-151

Mr. Pinard: We have been carrying on consultations in relation to Bill C-151. In my view, whereas the Progressive Conservative and New Democratic Members desire that an amount of borrowing authority not exceeding $10.7 billion be granted by Bill C-151, while the Government desires that if any further request be made for not more than an additional $4 billion borrowing authority within the present fiscal year, such request shall not require more than three days of debate, the following order, concerning which I seek unanimous consent, shall take effect immediately:

Business of the House

That with regard to Bill C-151, an Act to provide supplementary borrowing authority, when the said Bill has been read a second time, it shall be referred to a Committee of the Whole;

That at the appropriate time in Committee of the Whole stage of the said Bill, a Minister of the Crown shall propose an amendment to delete, in line 14 at page one of the said Bill, the word "fourteen", and to substitute therefor the word "ten";

That at 3 p.m. on Thursday, June 2, the said Bill shall be called and, without further debate, all questions necessary to dispose of all remaining stages of the said Bill shall be put forthwith and successively without further debate or amendment, except as provided in this order;

That, if necessary for the execution of this order, the House may sit beyond the ordinary time of adjournment;

That the Standing Orders be amended by adding immediately after Standing Order 79 the following:

"(a) If, at any time before March 31, 1984, a Minister of the Crown introduces a Bill to provide additional supplementary borrowing authority of not more than $4 billion, the said Bill shall, after receiving second reading, be considered in a Committee of the Whole and not later than 15 minutes before the expiry of the time appointed for the consideration of Government business on the third day that the said Bill is debated, any proceedings before the House shall be interrupted and all questions necessary for the disposal of all remaining stages of the said Bill shall be put forthwith and successively without further debate or amendment, and provided that the said Standing Order 79(a) shall expire when any Bill mentioned therein has been finally disposed of".

Mr. Speaker, I seek unanimous consent for this House order. It seems that, after consultation, Your Honour will obtain it.

● (1600)

Mr. Lewis: Mr. Speaker, indeed there were meetings to discuss this matter. I want to point out that our speeches during the debate consistently insisted that all the Government required was $10 billion. We have consistently suggested in all of our speeches on this side that $4 billion was not required by the Government and we insisted upon an amendment coming forward to reduce the amount to what the Government actually required in accordance with its own financial statements.

Yesterday afternoon, our Mewmbers debated at length. From lunch hour to the time of adjournment there was only one NDP Member who came forward to assist us in this debate. We are, however, prepared to give unanimous consent in our Party because this agreement complies with an agreement we made earlier this session. For those reasons we are in agreement. As I have indicated to the Government House Leader, we do not agree with the preamble but we agree with the wording of the House order.

Mr. Deans: Mr. Speaker, I do not want to enter into a nit-picking discussion with the Opposition House leader, but if he could count he would have been able to see that there were four NDP speakers yesterday. We took our turn and we told the Government that we were very much opposed to what it was doing. We continue to be opposed to it. We worked on an arrangement that seemed to satisfy the needs of everyone.

Mr. Pinard: Mr. Speaker, it seems there is agreement on the House order. Everyone has stated their views. The Government is satisfied with a three-day debate to get the full amount of $14.7 billion if needed.

The Acting Speaker (Mr. Blaker): The House has heard the proposal made by the President of the Privy Council. Is there unanimous agreement that the proposal be made an Order of the House?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): Agreed and so ordered.

The Chair will recognize the Hon. Parliamentary Secretary to the Minister of National Defence in pursuit of his intervention. As proposed earlier by the President of the Privy Council, the amount of time given by the President of the Privy Council will not be deducted from the time allowed to the Hon. Parliamentary Secretary.

* * *

NARCOTIC CONTROL ACT

AMENDMENT RESPECTING THERAPEUTIC USE OF HEROIN

The House resumed consideration of the motion of Mr. Baker (Nepean-Carleton) that Bill C-684, an Act to amend the Narcotic Control Act (therapeutic use of heroin), be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Hudecki: Mr. Speaker, before the intervention by the Government House Leader (Mr. Pinard), I was discussing the side effects of the use of heroin in the treatment of people with incurable illnesses. These side effects include very severe respiratory depression and some difficulty in controlling the cough reflex which would result in a greater susceptibility to pneumonia. These side effects which these people experience in the hospital will also show themselves at a time when they want cerebral lucidity and to enjoy the company of their friends. It is at that time that many of their normal bodily functions are impaired.

There was a time when a so-called cocktail was prepared using heroin. These were given to the patients so they could take them at will. While this would frequently control the pain, the patient would be extremely constipated, have very poor insight as to what was happening and a sense of euphoria inconsistent with the situation. This would be at the very time these people would want to communicate and understand what has happening while in the company of their immediate friends and relatives.

Currently there are a great number of alternative methods of controlling pain. These methods include morphine which, if properly used, is most active. There are a variety of anti-depressants which are useful since most of these people do not only complain of pain but are emotionally distressed and upset. Many of them benefit much more from appropriate anti-depressants.

There are also a number of physical means by which pain can be controlled, such as stimulation through the skin. Neurosurgeons can use a variety of injections. It is not necessary to rely on heroin in order to control pain.

There is the view that a considerable amount of experience in this field in the United Kingdom suggests that heroin has great merit. I would like to quote a statement by a world authority on palliative medicine. That is medicine dealing with people who have incurable diseases. It is a statement by Dr. Robert Twycross who, until recently, was in practice at St. Christopher's Hospital in England. He is an acclaimed authority on the subject. In the last few years a majority of palliative care centres in the United Kingdom have substituted morphine for heroine because clinical trials conducted by one of the most experienced palliative care physicians in the United Kingdom, Dr. Twycross, indicated that there was no difference between the pain-relieving properties and mood-modifying effects of heroin and morphine.

Heroin is a drug which comes from the opium family. Its synthetic relatives are methadone and demerol. It has a quicker action than morphine. The euphoria assoociated with it is so short lived that it is not useful from a psychological point of view. In addition it has the profound constipating effect and respiratory depression.

Once heroin passes through the liver, which is very soon after its absorption, about 85 per cent of the heroin is converted into morphine. As heroin is introduced it is quickly broken down and actually becomes a product of morphine. It is the morphine compound which continues to have an effect.

I want to reiterate the concept of the so-called terminal patient. A preferable term to use is a person with an incurable disease. Many of these patients are classified as terminal on the basis of the assessment of the doctor. There are verying degrees of terminally ill patients. No two patients have exactly the same response to illness.

• (1610)

Therefore it is very difficult to accept a norm and to act on the basis of this norm. Each one has to be considered as an individual and each one has to be studied. The individual needs have to be considered and each of the particular needs has to be dealt with as required. For that reason adequate treatment can only be given if adequate assessments have been made and adequate studies of the needs have been conducted. Rather than legalizing drugs such as heroin, we need special skills and training for our medical students and physicians to provide emotional and environmental support so that people can enjoy their remaining days in comfort and with the security of their loved ones.

What is the feeling of other prefessionals in the health care field? In a meeting with Mr. A. C. Scales, past president of the Canadian Pharmaceutical Association, its policy was expressed by the Drug Advisory Committee of the College of Pharmacy of British Columbia as follows:

> Effective pain management is best achieved with a regimen which provides an adequate dosage of currently available analgesics administered at regular intervals rather than as a required basis. The relief of pain achieved with morphine appears to be significantly more sustained than that obtained with heroin.

I believe my time is up.

[*Translation*]

Mr. Gilles Marceau (Jonquière): Mr. Speaker, I am grateful for this opportunity to express my views on such an important subject. Anyone who examines the Bill introduced by my colleague is inclined to react favourably, because he made it clear in his very short remarks that he was motivated by something which happened in his riding. From a human standpoint, I should think that any solution likely to help a sick person must be carefully and seriously considered. Aware as we are of the parliamentary experience of our colleague, and keeping in mind the example he gave us, we can only feel compassion when we are faced with such tragic, incomprehensible and, for some of us, unacceptable incidents as we are given to witness in our society.

Having read the text of the Bill introduced by my colleague, I must conclude that the wording is not unduly restrictive. He is suggesting, and I quote:

> Notwithstanding subsection (1)—

—which is an interdiction against the use of narcotics. Here is how the whole section reads:

> Notwithstanding subsection (1), any person may, under the supervision of a designated physician, have diacetylmorphine (heroin) in his possession for therapeutic purposes.

Again, there is no need to say that I understand the aims of my colleague the Hon. Member for Nepean-Carleton (Mr. Baker) because, in principle, I agree with those aims and motives.

The Acting Speaker (Mr. Blaker): Order, please. As I have just indicated when I signalled the Hon. Member, I apologize for interrupting him, but the time allotted for this debate has ended.

Pursuant to the provisions of Standing Order 24(2), it is my duty to interrupt the proceedings.

[*English*]

Before I proceed to the next order of business, I understand the Parliamentary Secretary to the President of the Privy Council (Mr. Smith) has a point of order.

* * *

BUSINESS OF THE HOUSE

Mr. Smith: Mr. Speaker, I rise on a matter to which the Government House Leader omitted to make reference when he intervened a few moments ago with the business for tomorrow. It flows from discussions which have been held this afternoon between the Parties. Accordingly, I would like to designate tomorrow as an Opposition day.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I would like to ask a question on behalf of the Opposition House Leader. Is this a matter which was discussed and agreed among House Leaders?

Mr. Smith: Designation of Opposition days is not the subject of agreement, but they are advised in advance and depend upon the outcome of the House order which was just agreed to. This was one possibility of which they were advised yesterday and it was confirmed earlier this afternoon.

The Acting Speaker (Mr. Blaker): I want only to be certain. It may be my memory, but I thought the President of the Privy Council referred to other matters for tomorrow. For the sake of the record, the Parliamentary Secretary has indicated that tomorrow is an Opposition day.

Mr. Smith: I am sorry, Mr. Speaker. I am referring to Friday.

The Acting Speaker (Mr. Blaker): The Parliamentary Secretary is fortunate that both my ears are working at the moment. In any event, the matter is settled. The Opposition day to which the Parliamentary Secretary referred is Friday, not tomorrow.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I rise on a point of order. My friend cleared up the confusion and then added to it. We now understand that Friday is an allotted day. Certain announcements have been made; we have been informed of the business for tomorrow, Thursday. Have there been any changes in the Government's mind with respect to the business for tomorrow?

Mr. Smith: No, other than the fact that the House order which was approved a few moments ago calls for a vote at three o'clock. Apart from the vote, the business will be as stated earlier by the Government House Leader.

The Acting Speaker (Mr. Blaker): Shall all items listed under Private Members' Public Bills preceding No. 424 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

[*Translation*]

CRIMINAL CODE

AMENDMENT RESPECTING GREYHOUND RACES

Mr. Raymond Dupont (Chambly) moved that Bill C-624, an Act to amend the Criminal Code (Greyhound Races) be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

[*English*]

Mr. Sargeant: Mr. Speaker, I did not quite understand the procedure which you were carrying on. I assumed that the mover of the Bill would be getting up to speak. I would welcome an opportunity to speak on this piece of legislation.

The Acting Speaker (Mr. Blaker): That unfortunately I am not able to do. I realize what has happened and that it has come as a surprise to some Hon. Members—and I might add to the Chair—that the motion put forward by the Hon. Member for Chambly (Mr. Dupont) has now been referred to committee. That is what the House has decided. I suppose it was with and by unanimous consent. If the House wants to undo what it has done, it may be able to do that. Otherwise, unanimous consent was granted to refer the Bill to the Standing Committee on Justice and Legal Affairs.

• (1620)

Shall I hear further points of order on this matter? The House has already declared itself. That matter is decided.

Shall all orders listed under Private Members' Public Bills preceding Order No. 442 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

Mr. Munro (Esquimalt-Saanich): You really have Parliament working well. It is an absolute disgrace.

The Acting Speaker (Mr. Blaker): At this point I am obviously in the hands of the House. Short of that I will either look to any further item on the Order Paper or we will have an early Wednesday. I think I should first recognize the Hon. Member for Bow River (Mr. Taylor)

Mr. Taylor: Mr. Speaker, I rise on a point of order. I wonder if you should put the question that we do agree to undo what we did by unanimous consent and go back to discussing Bill C-624. It was done very rapidly. Everybody was expecting the mover of the Bill to get up and speak. I would suggest that you put the motion and see if there is unanimous consent to go back. Surely the Bill is worth discussing.

Mr. Smith: Mr. Speaker, I rise on the same point of order. I notice the Hon. Member for Esquimalt-Saanich (Mr. Munro) left the Chamber in righteous wrath, suspecting some conspiracy or plot.

Mr. Munro (Esquimalt-Saanich): Of course there was.

Mr. Smith: That is absolute rubbish.

Mr. Munro (Esquimalt-Saanich): You have done it once before.

Mr. Smith: That is absolute rubbish. What in fact happened was that Members were caught off guard. I was not aware of discussions that may or may not have been held between these two Hon. Members.

Mr. Munro (Esquimalt-Saanich): What kind of Members are they?

Mr. Smith: Hon. Members, and they are polite, which is more than I can say for you.

I think what happened was there was some confusion. I think the House would best be served if we did undo this and allowed this Bill to be addressed. The Hon. Member for Wetaskiwin (Mr. Schellenberger) is not here simply because he would have been advised that his Bill would have been called at five o'clock. We would like to accommodate him. Any suggestion which any Member may have made that there was some sort of trickery going on here is absolutely outrageous and contemptuous.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, trickery has occurred in this House before, on July 12, 1982, and it could happen again. It was done on that side. I think the manner in which this debate has been conducted is absolutely disgraceful. I do hope that somehow or other arrangements will be made for the Hon. Member for Wetaskiwin to speak to his Bill, and also if there are other Members of the House who wish to discuss the Bill that is now before us before we reach the Bill of the Hon. Member for Wetaskiwin, that they have an opportunity to do so.

Mr. Sargeant: Mr. Speaker, I think where some of the confusion may have arisen, at least on my part, was when you read the number of the Bill. I believe if you check the record you will see that you said C-684. I was under the impression that it was C-624. I think if you check—

The Acting Speaker (Mr. Blaker): Order. Before I listen to further points of order, the House has its own capacity to handle matters as it sees fit. I do not think we need to go on with points of order which are really related to motivation rather than to actual procedure. To clear up on matter, I read the motion, and I read it in French. I will repeat it.

[*Translation*]

That Bill C-624, that is what I said, not 684—

[*English*]

That is not an argument I would accept to intervene or interfere with the proceeding. I have explained to the House that there is a very simple proceeding at this point. I have indicated that it apparently has surprised some Hon. Members that this motion has been referred to a committee for second reading. It certainly surprised the Chair as well. However, the House can undo what it has done very simply. It will, however, require unanimous consent. If some Hon. Member chooses to withhold unanimous consent, then the Chair has no choice in this matter. This Bill will be referred to the committee.

I will recognize further points of order if it is necessary, but I would point out to Hon. Members that the easiest and most successful way to resolve the problem is to permit me to put the question to the House as to whether or not there is unanimous consent to this order.

[*Translation*]

—I am first going to put the question.

[*English*]

Mr. Smith: Mr. Speaker, to accommodate everyone, I am prepared to move that we undo what in fact occurred and we do now discuss this Bill standing in the name of the Hon. Member for Chambly (Mr. Dupont).

[*Translation*]

The Acting Speaker (Mr. Blaker): Now, I would like to be perfectly clear—

[*English*]

It is now moved by the Parliamentary Secretary to the President of the Privy Council (Mr. Smith):

That Bill C-624 be by unanimous consent not yet sent to the Standing Committee on Justice and Legal Affairs.

In brackets, I may say subject to debate for the remainder of the period of one hour. I will now put the motion of the Parliamentary Secretary to the House. If I hear a lack of unanimous consent, once again I repeat that the Bill will go to committee.

[*Translation*]

Is there unanimous consent, as I explained?

[*English*]

Is there unanimous consent to continue the debate on this Bill before sending it or not sending it to committee?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Blaker): There is not unanimous consent. The Bill is therefore sent to committee.

Mr. Taylor: Who said no?

Mr. Dupont: I said no.

Some Hon. Members: Shame.

[*Translation*]

Mr. Dupont: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Blaker): The Hon. Member for Chambly (Mr. Dupont), on a point of order.

Mr. Dupont: Mr. Speaker, if I understand correctly, my colleagues opposite may be unhappy about this, but they were probably asleep in their seats and were not paying attention to the procedure. Nevertheless, like myself, they have been sitting in the House for many years, and they know perfectly well they will have another opportunity in Committee, since the Bill has been referred to the Standing Committee on Justice and Legal Affairs. As far as you are concerned, it is not my fault, my dear colleague, but personally, I am very pleased.

[*English*]

Mr. Taylor: If anybody was asleep it was the Hon. Member. He should have been up on his feet discussing his own Bill. What are you afraid of? Are you ashamed of it?

Mr. Munro (Esquimalt-Saanich): Of course he is.

The Acting Speaker (Mr. Blaker): The Chair is obligated to recognize Hon. Members on points of orders, but I did take very considerable pain and time to explain the procedure that we were using. I do not think it would be proper for Hon. Members to comment on the decision that the House has just made or upon the decision that the Chair has just made.

Mr. Benjamin: Mr. Speaker, may I first say to the Parliamentary Secretary to the Government House Leader that we appreciate the effort he made. Arrangements are made in consultation with the Clerks re Private Members' Day every Wednesday as to which Members' Bills will be called for debate.

What happened today was that the Hon. Member for Chambly (Mr. Dupont) seemed to obtain a reference of the content of his Bill to the standing committee. All Members on all sides of the House want that to happen to their Bills. I suspect we will have a problem on succeeding Wednesdays. If an Hon. Member is prepared to have his Bill presented for second reading debate, other Members who wish to participate in it should be provided with that alternative, unless there is previous agreement that there will be no debate and there is agreement on all sides to refer the subject matter thereof to the appropriate standing committee. That has occurred a number of times. I was fortunate to have it happen a couple of times with my Bills. But unless there is some agreement beforehand to refer by unanimous consent or to refer without debate—

• (1630)

The Acting Speaker (Mr. Blaker): The direction—

Mr. Benjamin: Mr. Speaker, this has to do with the order of the House, not with the Bill—

The Acting Speaker (Mr. Blaker): Exactly. It has to do with the order of the House, as the Hon. Member says. The direction his argument takes is that somehow there must be, in addition to the existing Standing Orders, a further Standing Order which refers to an agreement among Parties. The Chair has no knowledge of any such invisible and imaginary Standing Order. The function of the Chair is to apply the Standing Orders as they are, not to suggest that there are other Orders that the Chair ought to apply without those Orders being in force.

The Chair suggests that the House move on to the next order of business. I will recognize points of order but I do not think it is advisable to continue this debate now.

Mr. Benjamin: Mr. Speaker, on a further point of order, it now becomes a case of all of us serving notice on one another. On the one day that is available for Private Members' Business and for which there is agreement, the Member sponsoring the Bill himself says to the Clerk who calls his office: "Oh, yes, I am ready to speak to my Bill today," and then other Members on all sides are notified of that when it comes out on a sheet of paper. It that does not happen, then we will have to be much more formal. There will have to be a formal motion moved for every Private Members' Bill every Wednesday. If that is the way they want to play the game, that is the way we will play it.

The Acting Speaker (Mr. Blaker): Order, please. Order. The difficulty I have is that the Hon. Member is not really arguing a point of order. If he wants to argue a point of privilege as to the manner in which the House operates, that may be a question he can raise, although I would like to indicate in advance that I have some doubts about that. We have gone through a very careful process to assure all Hon. Members of the possibility that they might overturn a decision by unanimous consent. There was not unanimous consent to do that. In all fairness, I do not think that I can entertain further points of order on a decision the House has already made.

Mr. Taylor: Mr. Speaker, I rise on a point of privilege. There is a great deal of substance in what the Hon. Member for Regina West (Mr. Benjamin) has said. The only one that I know of who refused to—

The Acting Speaker (Mr. Blaker): Order. Order, please. The Hon. Member is well aware that the Standing Orders phohibit questioning the motivations of Hon. Members for the manner in which they carry out their votes. I could not begin to accept that as the subject matter of a point of order.

Shall all orders listed under Private Members'—

Mr. Taylor: Mr. Speaker, I rise on a point of privilege and I believe that the Chair should at least hear it.

The Acting Speaker (Mr. Blaker): I will hear the Hon. Member who claims he rises on a point of privilege but I will not permit him to question the motivations of Hon. Members.

Mr. Taylor: Mr. Speaker, before one of these Bills is put on the Order Paper, a Member must agree that he wants it debated when it is called. Obviously debate does not continue until that Member stands up and makes his speech. This all happened so quickly. When the Member himself is the only one in the House who refuses unanimous consent, that is a point of privilege affecting the rest of us. We have rights too.

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

Mr. Taylor: The Member ran away from the House before we had time to say boo. He was afraid to debate his Bill. Whether the Chair agrees with me or not, it is a point of privilege to my mind.

The Acting Speaker (Mr. Blaker): The Hon. Member for Bow River knows that I respect his views. Unfortunately, it is my responsibility to make a decision in that regard and I hope

that he will respect my views since I must find some way to apply them.

Mr. Smith: Mr. Speaker, simply to state our position on the record, as have the other Parties, I agree that the Chair has simply enforced the rules. What has happened has been unfortunate. I as one Member tried to undo a misunderstanding, but I think it is important for the Hon. Member for Regina West (Mr. Benjamin) to realize that we on this side of the House do not attempt to enforce Party discipline during Private Members' Hour. We will familiarize Members with what the Government position is, but we cannot interfere with the rights of any private Member. One Member has chosen to exercise his rights in a way which I regret, but he has that right and the Chair has enforced that right. That is all there is to it.

The Acting Speaker (Mr. Blaker): I think that we should terminate this discussion. Leaving aside any references to Parties whatsoever, it is certainly the responsibility of the Chair to recognize and to enforce individual Member's rights in the House. That is one of the primary functions of the Chair. One Hon. Member refused unanimous consent. I ask the House to understand that there is nothing that can be done if unanimous consent is refused by an Hon. Member. That terminates the issue, and I ask Hon. Members to move on to the next item of business.

Mr. Sargeant: Mr. Speaker, I would like to make one further point. When you called the question, you correctly pointed out that you said it in French. The translator, at least over the ear plug that I have, said Bill C-684. I did not know that she was talking about the same Bill.

An Hon. Member: That is not true.

Mr. Sargeant: It is true if you listen to the corrections.

The Acting Speaker (Mr. Blaker): That issue is very readily resolvable. It is not an issue of essence. Certainly the recordings of the House of Commons will bear out the Hon. Member or will bear out the Chair. Perhaps I made a mistake, but even if I did, I would not regard that as an essential matter. I would say that the will of the House must proceed despite a mispronunciation, and I am satisfied to say that as far as I know, I did not misread it either in English or in French.

Shall all orders listed under Private Members' Public Bills preceding order No. 424 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

PUBLIC PETITIONS TO PARLIAMENT

MEASURE RESPECTING PROCEDURE ON PRESENTATION OF PETITIONS

Mr. Stan Schellenberger (Wetaskiwin) moved that Bill C-642, an Act respecting the presentation of petitions to Parliament, be read the second time and referred to the Standing Committee on Privileges and Elections.

He said: Mr. Speaker, I take pleasure in presenting this Bill to the House for debate today. The presentation of petitions has gained some notoriety in the last week or so, but petitions are a very significant method by which ordinary citizens of the country who do not have the opportunity that I have to speak in the House of Commons can bring to the attention of this institution through their signature a grievance that they may have or a suggestion as to how something may be changed so that their lives may be bettered.

The practice of putting petitions to a legislative body is not new. It has been happening for hundreds of years. We have brought from the mother Parliament in Great Britain to this institution the practice of presenting petitions to Parliament. From the beginning, the presentation of petitions was allowed by Parliament as a means for ordinary citizens to bring their grievance to the attention of the House of Commons. The practice have been used over, and it is only in recent years that nothing has happened to petitions. Petitions are brought to the House by the Member of Parliament, are read to the Speaker and the Clerk who then deal with those petitions, and the next day they are either found to be in order or not. They then disappear in a room somewhere in the House of Commons. That is not entirely the case, but it is pretty close.

I would like to indicate to the Chair and the Members of the House of Commons that in Great Britain, the procedure followed is slightly different and, I think, better than the procedure we have adopted in Canada. Public petitions were first adopted as an innovation of Edward I and were presented as a method of seeking redress from the king by virtue of his power of prerogative where none could be sought through the ordinary course of the law. That is still the case now.

For example, on the issue of capital punishment, many citizens of the nation, believe that this institution is not representing the wishes of the majority of the nation, and their only means of bringing that to the attention of the House is through the presentation of petitions or Private Members' Bills. Neither of those two methods has been very successful in bringing about a change in the past, but at least the opportunity is there to bring the grievance forward.

• (1640)

In Great Britain when petitions were first introduced, it was permitted that they be debated in the House. This went on into 1842 when the practice of using petitions became so widespread that very little time was left for Members of Parliament to debate Government Bills, so it was decided that the change should be made to the rules. Until 1843 when the rules were changed in the House of Commons in Great Britain this method was used. At that time, 33,000 petitions per year were presented, so there was difficulty in having them all debated. After the rules were changed the petitions could be read, as they are now. If the petition conformed to the rules of the House it could then be put before a committee. Debate was not

permitted, but at least the Bill could be moved to a committee of petitions and dealt with by Members of Parliament.

If petitions related to personal grievances they could then be deemed to be of urgent necessity.In this case they could be debated immediately in the House. That has not occurred very often in Great Britain since the rule change in 1843; in fact, it has happened only once. All Bills did not have to go to committee, and there was still the opportunity to debate a Bill in the House of Commons if it was considered urgent.

The report of the Committee on Public Petitions was printed. It stated the subject of the petition, the number of signatures, and was headed by the prayer of the petition. The Committee had the power to send for persons, papers, records and was entitled to make special reports on any matter it thought the House should know about. On the other hand, the Committee had no power to investigate or report on the merits of any petition or interrogate representatives of Government Departments or person as to possible remedial action.

The Committee dealt with every public petition presented to the House until 1974 when the practice was discontinued. They now follow a practice which I think this Parliament should seriously consider and which is the subject of my Bill—that all petitions shall be printed by the Clerk of the House after the normal procedure transmits those petitions to the Minister of the Crown. The Minister of the Crown must then make a recommendation or an observation on the Bill before the House of Commons, and that is tabled and printed.

That is some of the history of the procedure now used in Great Britain and which we have copied to a great extent in Canada.

There was an occasion on which debate on a petition took place after the rule change. That was in June, 1944. The urgent part of the petition concerned the fact that letters had been opened secretly by the Post Office. That was considered to be an invasion of privacy, so the petition was debated immediately. That opportunity still exists in this Parliament.

We are all very familiar with the practice of presenting petitions to this House, Mr. Speaker. A petition can be presented by any Member, who may not make a speech but has the opportunity to make a brief statement about the author of the petition, the number of signatures and the allegation it contains. The Member may also read what is called the "prayer".

The petition is then automatically referred to the Clerk of Petitions, and next day he reports back to the House on whether it meets the requirements of the Standing Order. The Speaker reports on the petition, which is tabled. It is then read to the House by the Clerk, and if it is in proper form it may, with unanimous consent, be read by the Clerk and, again with unanimous consent, it may be sent to committee; otherwise, no debate is permitted and the petition does not go to any committee.

The only exception to this is when a petition complains of some present personal grievance requiring an immediate remedy, in which case the matter may be discussed immediately. There has never been an occasion when the subject matter of a petition has been ruled to be of such urgency as to require discussion in the House.

The rules also say that the petitions must meet certain requirements. They must relate to a matter over which Parliament has control. Petitions may not ask for the expenditure of money and may not pray for exemptions from any import or export duties.

In Canada we have used the urgency provision twice, which is more often than it has been used in Great Britain. On one occasion it was used by a colleague, Donald MacInnis, whose petition requested an improved early retirement benefit for former coal miners of the Cape Breton Development Corporation. With the unanimous consent of the House, that petition was allowed to move to committee.

In 1962 the petition of Mr. McNally, then a Member of Parliament, requested Parliament to allow admission to Parliament of the Press Gallery Association. This petition was also allowed to go to committee. So we have some examples of that usage, but we have very few examples of petitions being debated in the House or in committee and remedial action being taken.

I think many citizens of Canada want to see something happen as a result of their petition. When they ask a Member of Parliament what they can do about certain issues, what procedures they can take, we can answer that they can lobby Members of Parliament with a grievance and ask that it be discussed. If there is no possibility of doing that through Question Period of Private Members' Hour or Government legislation, one of the few options is the petition. We can tell our constituents that they may present a grievance to Parliament through a petition, but then the obvious question is, what happens to that petition? That is when I have some difficulty, Mr. Speaker, because nothing really happens to the petition. Through the procedures I have just outlined, it is read but then disappears. The only response a constituent may see is a few lines in *Hansard* to show that his Member of Parliament did present the petition.

That is why I am asking the House to look at the Bill which asks that after presentation of a petition to the Senate or the House of Commons in accordance with the rules, a Minister or a Member of Parliament should respond in the House within two weeks. The petition could then be referred to a committee of the House without debate.

Under the new rules the committee would have the option of taking up the subject matter or not, but at least the petitioners would have the opportunity to see that the petition was dealth with by a Minister of the Crown who would then be compelled to respond in the House within two weeks of the tabling of the petition.

I looked at this to see whether our neighbour, the United States, had anything similar to this request that I am making to the House today, and they do. In the House of Representatives in the United States, after a petition is presented to the House by a Member, he can request that that petition be

referred to a committee. If he does request that that petition be referred, then the subject matter may be taken up by that committee. That is under Clause 6, Rule 22. In the Senate, a petition may be introduced. No debate is allowed except by unanimous consent. If there is unanimous consent, then debate is allowed on a petition. A Senator cannot be interrupted during his debate to introduce a petition. However, it is only in the House of Representatives that in fact a petition can proceed to a committee of the House. So they have a similar opportunity in the United States to the one which I am encouraging this House to deal with.

• (1650)

In Great Britain there is the opportunity for a Minister to respond. He must respond to a petition. We have neither of those requirements as compulsory actions for the presentation of our petitions. It is left to the will of the Minister to respond, and most often he does not do so. As I said, only twice in our history have petitions been allowed to go to a standing committee for discussion.

Therefore I feel that if we are going to give adequate redress to complaints of the citizens of this nation, we ought to develop a procedure which will allow the petitions to have some meaning. This is the only way which I can see that we can in fact do that.

I would like to sum up my address to the House by reading a brief passage from a writer on parliamentary procedure. He was writing on public petitions. I am sorry, I do not have his name. He said the following:

> These rulings have accumulated in the House over the years and are now as firmly entrenched as the standing orders. These rulings and the procedure surrounding the reception of petitions have acted, in recent years in particular, to discourage petitioning. At many times the House has shown itself willing to waive its rules, however strict, to allow the introduction or the passage of a measure it desires, but it has consistently refused to do the same with petitions. Not only is the possible subject-matter limited today, but the forms are strictly observed. The examination by the Clerk of Petitions ensures that many petitions will never be received by the House. Even if they are drafted properly and deal with a proper subject, the petitions cause little stir in the House; the Speaker informs the House that they may be received and they disappear from sight without comment. At best a member may present a petition in person and read the prayer; his fellow members nod agreeably and the petition disappears; there is no debate. The result of these restrictions and this procedure is that petitions are of little use today.

That has been confirmed. I have not seen the numbers for Canada as to what has happened with petitions, but I do have the figures for Great Britain. I know from my ten years in the House that it is only recently when the economy is in trouble and people are disturbed that we find, all of a sudden, a number of petitions coming to us as Members of Parliament, and then to the House of Commons. They have started to increase in numbers. Therefore, the people of this nation are in fact using that procedure, particularly now, much more so than two or three years ago when I noticed that very few petitions were ever presented to the House. This year almost every day petitions are presented to the House of Commons.

It is obvious that citizens of this nation are asking for redress of their grievances through that practice and they are getting nothing in return. I urge, therefore, Hon. Members of the House seriously to consider the subject matter of this Bill. We could certainly, in committee, call witnesses from the two countries I mentioned to tell us how their procedures have in fact allowed citizens of their nations to present their grievances to the House. I feel that we as Members of the House of Commons would be doing our country and our constituents a great service in allowing them some response to the petitions which they ask us to deliver to this institution.

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker, I rise to give some support to the Hon. Member for Wetaskiwin (Mr. Schellenberger) in his desire to have petitions recognized more seriously by this House. I have& a problem with some of the details of the Bill, but I particularly like the idea that we might have a committee which would be designated to deal with petitions. I feel the subject, though, is a broader one and I would like to set aside the petition idea and speak about how we extend democracy, which is what the Hon. Member is attempting to do.

We have lived for a long time, and probably quite successfully until the last perhaps ten or 12 or 15 years, with representative democracy, as when you elect a Member of Parliament and one way or another he belongs to a political Party and he then functions through that Party, either as part of the Government or as part of the Opposition. One assumes that every four or five years, when he comes up for re-election, people will say, "Well, you have done a good job, you listened to me, and you got something done", or they reject him; one or the other. It seems to me, however, that in a society where the average person today has 11 or 12 years of successful schooling, and a large portion of our population have university degrees, when things become very complex it is not good enough to pass judgment on a Member of Parliament every four or five years and say, "Well, you have done a good job", and so on. I feel that there must be other ways in which people can make their views known to the country and to this Parliament so that action can be taken.

Very often people will say, "Well, I felt very strongly about that issue. Government did the wrong thing. On the other hand, generally speaking, I am fairly satisfied", but the issue is still there and it is a burning one. Capital punishment was mentioned as one of those issues which bothers a lot of people. I do not share, perhaps, the same view as a lot of Hon. Members on this subject, but I can understand the fact that it does bother people and that for some reason or other they do not feel they are being heard. It seems to me that democracy does not work at all, basically, if more and more people get the feeling that they are not being heard, that for some reason or other the Government of the day is doing the opposite to what they think should be done. It is very difficult for people to understand that there are other people who feel the very opposite to them, that they want something very opposite, and that the Government must compromise somewhere along the line. I feel that one of the answers has to be that people must get a better chance to be heard. But we must also hear the other side.

The other day in Thunder Bay a discussion occurred between two groups of people on two different sides of the abortion issue. There were some demonstrations, and so on. The suggestion was made that maybe it is time that these two groups of people sat down and tried to understand each other. With a committee on petitions we can, perhaps, bring some of those opposing forces together on this subject or on other subjects.

I agree with this particular step, but I feel there should be more steps and broader steps to allow for that kind of thing to happen. I feel that one of the problems which creates petitions, and this kind of strife, is within the nature of large Government bureaucracies. I am not talking about this Government or any other Government particularly. It is just in the nature of the whole business of Government Departments. We have been talking about the Crow rate, for instance, and a lot of people are concerned about Government Departments. They tend to say that what is good for transportation or what is good for the railroads is good for the country, because that is what they are busy doing. That is the outlook they have. They may well be wrong about the railroads, as well as about the rest of the country, but the point is that there is a tendency to build up a whole series of things which are good for a small sector of society but may not be good for Canadians generally or any particular region of this country. Then you get people, such as a very large number of grain farmers in the West, who say, "This does not suit me at all. This is something which is part of the history of the West, I believe in it, and this group is taking it away". One can understand that, but the point is that there is not a good outlet at the present time for people who feel very strongly that the traditions they have grown up with are being trampled upon by this particular bureaucracy.

• (1700)

I happen to have a lot of contact with the peace movement in this country. It consists of a network right across the country from coast to coast. There is a real concern about where we are going with nuclear armaments and a very real concern about a war that could destroy us all. But there is no way for that large group of people to make their views heard in this Parliament. I have thousands of names on petitions because a lot of the letters that go to the Prime Minister (Mr. Trudeau) or other Members come to me because of my concern about this issue. And some way or other that issue, and the Crow issue and others, have to be addressed. These people are getting more and more frustrated. This is not a situation where an issue comes up, everyone gets upset, and a week later it is all over. That is not what is happening. Petitions may be the route to go, but it is not now. We all agree, I think, that it is not effective at this stage of the game. As the Hon. Member for Wetaskiwin has said, petitions come in, they are read out, accepted as being correct by the Speaker, and then they are dead. It is not an exercise in total futility because at least it gets to the floor, but it is nothing more than a show. There is no debate afterwards.

I want to find some way, Mr Speaker, where the feelings of people on the Crow and those who are very concerned about testing the Cruise and who put their names on petitions and write letters can at least be strongly expressed. Perhaps it should be in a committee where people who have opposite views can come forward, and then they will begin to understand what Governments and we in Parliament have to face. I am sure all of us have received petitions with opposite positions on the same issue. We have to deal with that. I have in my office a lot of letters and several petitions from people in the City of Thunder Bay and the surrounding area who are very concerned about the National Film Board closing down its offices in my community. It is supposed to happen in September. I checked this and I find there are seven or eight other communities and the Members who represent those communities also have a bunch of petitions on the same subject. The Cities of Saskatoon, Thunder Bay, Hamilton, Chicoutimi, Sydney, and Kingston are all going to lose their NFB offices this fall if something is not done. The Film Board will save something like $200,000. The offices will be replaced by a Zenith telephone number, which is costly, ineffective, impersonal and so on.

I have discussed this with the Minister concerned and I think we are going to prevent that particular situation from happening. Those communities are not going to lose those offices. But the point is that it would be very effective if all the petitions dealing with that particular subject could be brought together at one particular point. In that way we could focus on the problem facing these communities. It may make sense from the point of view of the NFB to do this, but it may not make sense at all from the point of view of those communities or the country, certainly the Government, to have this happen. I know it does not.

It just happens that I have the names of those eight cities and I talked to about five of the members concerned, and I will get to the rest of them in the next few days. If those petitions went to one place, it would have a very significant effect in the sense that when they came to the particular committee, we could all go there and say we all feel strongly about this and we would be able to put the pressure on.

I would like to say in conclusion that I find this to be a very interesting Bill and I tend to support it because I can see a lot of good things happening. It seems to me that as our society becomes more complex—and nobody denies that is what is happening—and as the people in our society become more knowledgeable, given better education and so on, they begin to be much more cynical and they say "I want and demand" so and so. We in a representative democracy have to learn how we can bring those viewpoints together at some particular point. This is not the only way; there must be all kinds of things that we can think about. I hope the committee which is looking at changes of House rules will look very carefully at this kind of approach and others which would make the people in our country feel their Government is something that belongs to them and works for them. I welcome this kind of approach.

Mr. Les Benjamin (Regina West): Mr. Speaker, I rise to support the Hon. Member's Bill C-642. I want to deal with it in the context of the history of a parliamentary democracy and

the operation of Parliament itself and the rights of citizens. The thrust of the Bill of the hon. gentleman is to see to it that something happens with a petition and a response is made to a petition of any one or more citizens of this country.

I suppose this is a matter which distresses all Hon. Members. It has been a rare occasion when Parliament has in fact dealt with or responded to a petition. I believe the Hon. Member cited a couple of occasions. I can recall one that had a massive impact on Members on all sides and which resulted in Government action. The Government chose to cite the petition as one of the reasons for its action. Many years ago, Hon. Members from the CCF Party presented a petition with respect to old age pensions, comprising approximately 150,000 to 200,000 signatures. The Government of the day, in subsequent months and years, in bringing about legislation concerning old age pensions, albeit inadequate, chose to cite the petition as being one of the reasons for doing it. That would be one of the rare examples where something resulted from the presentation of a petition.

• (1710)

Therefore, the question is: What is done with those petitions? I have been finding some interesting reading on the subject since I noticed the Hon. Member's Bill. I refer to "The People and the Constitution" by C.F. Emden, the second edition, at page 75, which states: "In December, 1679, Shaftesbury was astute enough to realize that petitions could be effectively used as a weapon in party warfare; and his Green Ribbon Club organized a vast campaign for the collection of signatures to petitions in favour of"—would Hon. Members believe it?—"the assembly of Parliament." This relates to some remarks made by the Hon. Member for Thunder Bay-Atikokan (Mr. McRae). Of course, when there is an extra-large or a controversial issue before the nation, there will, of course, be an upsurge in petitions—I also say this for the benefit of the Chair, and of the Table Officers—there will be such an upsurge that it may well annoy the Chair or the Table Officers. It may well annoy the Government. It may well annoy the whole House of Commons. It may well annoy most of the country. However, in line with the hon. gentleman's Bill, I submit that the right to have some response to that petition is inviolable and is in place under Routine Proceedings in this Parliament and under our rules.

When Shaftesbury twigged on to this use of petitions as a weapon of warfare between Parties, on a political issue, it was in 1679. The next year, however, in spite of the annoyance and the massive upsurge in petitions about an assembly of Parliament, that same Parliament resolved the following:

—it is and ever hath been the undoubted right of the subjects of England to petition the King for the calling and sitting of Parliaments and the redressing of grievances.

C. F. Emden went on to state:

The Bill of Rights of 1688 maintained that "it is the right of subjects to petition the King, and all commitments and prosecutions for such petitioning are illegal". But it was still necessary to provide against disorder in the manner of presentation of petitions;—

The House of Commons, as far back as 1689 and 1699, presented a method of order in the presentation of petitions.

We have a method of order for the presentation of petitions under the Routine Proceedings of this Parliament. In fact, there is a method of order which is not included in our routine orders. Chambers Encyclopedia states this at pages 628 and 629:

Petition is a supplication preferred to one capable of granting it. The right of the British subject to petition the sovereign or either house of parliament for the redress of grievances is a fundamental principle of the British constitution and has been exercised from very early times.

By the way, a Canadian citizen is included in the term "British subject". It continues to read:

The practice of petitioning the house of commons first became frequent in the reign of Henry IV.

The following is what should perhaps be included in our Routine Proceedings:

A member of the House of Commons, having orally presented a petition, deposits it by placing it in a bag kept for the purpose at the back of the Speaker's chair. Petitions may be informally presented by members by placing them in this bag.

If you look behind your Chair, Mr. Speaker, you will notice that there is no place for a bag in which to deposit petitions. In the present practice, we only go through the motions of petitioning, the right to petition, with the rare exceptions cited by the Hon. Member for Wetaskiwin (Mr. Schellenberger) and the one which I have cited. Even on those rare occasions when something has resulted from the presentation of a petition, the Government then cites those petitions because it suits its case, because it happens to suit the policy of the Government of the day. That is fair ball. I am not objecting to that.

That being the case and the practice, then I ask: What about answering petitions which do not agree with either the Government policy or the opinion of the House? What happens to them after they are presented? Concerning the automatic referral of a petition to an appropriate standing committee, first, as the Hon. Member proposes in his Bill, there would be a response of some kind from the Government within two weeks. The Government has the perfect right to accept or reject a petition of grievance or a request for redress, whether it conforms with or is opposed to Government policy. Actually, any Government of any Party would hasten to cite a petition in support of its case if it agreed with its policy. The question is, what is done with a petition if it does not agree with the policy of the Government or the views of the House? The petitioners are entitled to have something done with their petitions and to receive or reply to it. Even if they do not like the reply, they are entitled to it.

I would like to speak of the occurrence of several days ago and those others which have occurred from time to time when dealing with the Criminal Code amendments and other matters. From 1968 through to 1970, I remember our colleagues from le Ralliement des Créditistes rising in their places day after day with petitions on Criminal Code amendment respecting abortions. The House patiently heard them out. There were also such occasions during the time of the War

Measures Act, before and after, and there have been other occasions. They do not happen all that often. We have another one at the moment with regard to the statutory grain rates. No doubt there will be others with regard to the Cruise missile and other issues, such as capital punishment, gun control—you name it. On those occasions, even if there was a surplus of petitions, hundreds and thousands of pages, tens and hundreds of thousands of names, I have never seen or heard the accusation that citizens of our country or of Great Britain are abusing their right to petition. When they do it in massive volume, it is because of an issue of such extreme urgency and importance that thousands of individuals will collect the signatures of hundreds of thousands of others to petition Parliament. There is no room for the Chair, the Table Officers, the Government of the day or the House of Commons to interfere with the presentation of petitions under Routine Proceedings, however voluminous or numerous. We owe it to those who exercise their right to petition, even if it is only one citizen, that their petitions go to Parliament and are considered worthy of a response. They are worthy of a response even if it is only in the form of a letter to the petitioner from the appropriate Cabinet Minister, from the Government, or from the House of Commons. More particularly, it should be a response from a committee of the House of Commons. If nothing else, surely that is a matter of common courtesy.

• (1720)

Citizens do not lightly petition Parliament. We are all aware of how difficult it is to have citizens take a more continued interest in their own affairs and in their own Parliament. It is not likely that petitions will flood into Parliament, but they will on certain occasions.

It seems to me that this legislation not only enhances that historic right to petition Parliament but enlarges the responsibility of the Government of the day to respond to the petitioners with either an acceptance or a rejection in part or in whole. At least a response shows that those petitions were acted upon and did not lie on the shelves in the basement of this building or in a bag behind the Speaker's chair. Surely that would embellish that sacred right to petition the Crown through Parliament.

There will be those of shallow mind and intellect who will write editorials about obstructing Parliament. If the day ever comes that Parliament would construe the presentation of petitions by one or one million and one citizens, rightly or wrongly, as an obstruction of Parliament, the parliamentary democracy is in even greater jeopardy. I invite the House, the Chair and the Table Officers not only to reconsider the process of the presentation of petitions but to act upon referring the subject matter of the Hon. Member's Bill in the last minute of this Private Members' Hour to the appropriate standing committee. That committee can report back to the House with recommendations for changes to our Routine Proceedings, our rules and treatment of petitions. I assure you, Mr. Speaker, that this will enhance this ancient and honourable right as well as enhance this Parliament.

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I want to join other Members in congratulating the Hon. Member for Wetaskiwin (Mr. Schellenberger) for introducing Private Members Bill C-642 in the House. I can also understand and share in the raison d'être for bringing this Bill forward this afternoon. It is linked to the word frustration. From time to time Hon. Members will raise matters in the House and appear not to receive the information that is deemed to be duly required. There is no question that the matter of petitions is very much at the heart of the operation of this institution. Indeed, petitions are referred to in the Orders of the Day and the Business of the House. When one reads the agenda, it includes Routine Business, Reports from Special or Standing Committees, Tabling of Documents, Statements by Ministers, and Petitions, followed by the balance of the agenda dealing with Government business.

There are other avenues open to Members, such as the daily Question Period, in order to make inquiries about matters relating to petitions in an attempt to elicit direct and specific responses from Ministers who are responsible for an issue relating to their Department. As well, there is the tabling of questions on the Order Paper, which is available to all Members. Members who are concerned about a specific matter may also use the proceedings on adjournment when they feel they may have not been successful in obtaining a full answer to a question dealing with a petition. They can raise that subject matter in the House at that time as provided for within our rules and procedures.

The purpose of the Hon. Member's Bill is to have this matter referred to the committee so that some teeth can be put into the procedures of bringing forward petitions. This is why I congratulated the Hon. Member for introducing the Bill. As other Members have mentioned, this legislation could provide a mechanism through which a direct response could be given to a petition in the House of Commons. I support that and applaud it. However, I feel there are other existing avenues which have been available to all Members with respect to the current special committee which is studying all aspects of the operations of the House of Commons. It is the Special Committee on Parliamentary Reform which is reviewing the operation, rules and procedures of the House of Commons.

Based on the effort that has gone into the preparation of Private Members' Bill C-642, it has been suggested that the Hon. Member should be encouraged to present his proposition to this Committee at the earliest opportunity so that it could be made aware of his concerns and his recommendations. He could attempt to convince the Committee to include the very items in his Bill in their recommendations to the House. Perhaps the Committee will agree with some of the provisions of the Bill, an Act respecting the presentation of petitions, such as Clause 4 which states:

> When answer to a petition is made, the Member presenting the petition may, forthwith and without further debate, move that the subject matter of the petition stand refered to any committee of the Senate, House of Commons or both Houses of Parliament that may be established to study and report upon petitions.

Clause 5 states:

Every petition and answer shall be printed as an appendix or supplement to the *Votes and Proceedings* of the day on which it is presented or made.

Clause 3 states:

Within two weeks of the presentation of the petition to either House of Parliament, a statement in answer to it shall be made in the House by a Member of Her Majesty's Privy Council or by a Member of Parliament acting for him.

Part of this is already in place and can be done. As I said, the opportunity is provided in Question Period when a Minister responsible for a particular area can be questioned very closely for a response to what has been done about a specific request contained in a petition.

• (1730)

As previous speakers have stated this afternoon, I agree that there is no question we have all experienced frustrations and have directly suffered from the system. While Parliament is a great institution and our system is the best in the free world, they can always be improved. We are dedicated to working toward adopting acceptable improvements which will bring us into the 1980s so that we will be truly representative of the people and carry out the work they have entrusted us to do. There is no doubt that we must be ever conscious and aware of our responsibilities in this regard and take every opportunity to improve the process so that we have a more efficient and smoother system in terms of our parliamentary duties and activities.

I have enumerated some of the opportunities which are already in place. They can be used by each and every Member of Parliament. Certainly these avenues can be utilized with respect to petitions. Of course there is always a need to give a word of caution. Whenever we are discussing topics such as the one relating to petitions, we know that there will always be abuse in our system. We have witnessed to date abuses in the House with respect to the motivations of petitions, the manner in which they have been obtained and the manner in which they have been presented to the House.

Mr. Benjamin: Be careful, or I will have a question of privilege.

Mr. Harquail: I hear the Hon. Member commenting on what I have said. I did not interrupt him when he expressed his views. The Hon. Member will recall that he made reference to grain rates in his speech. Not long ago the New Democratic Party attempted to trample over the proceedings of the House, showing complete disrespect for the Speaker and for the rules of the House, by bringing in Crow petitions and acting totally contrary to the rules.

The Acting Speaker (Mr. Corbin): The Hon. Member for Regina West (Mr. Benjamin) is rising on a point of order.

Mr. Benjamin: Mr. Speaker, I am rising on a question of privilege, let alone a point of order. The Chair ruled several days ago that Hon. Members in this corner of the House were perfectly entitled to present whatever number of petitions they had. I take exception to the Hon. Member calling that trampling on the rules or abusing the House of Commons. We did nothing more than exercise our rights, and this was confirmed by the Speaker. I would like the Hon. Member to recognize that and say so.

The Acting Speaker (Mr. Corbin): Did the Hon. Member rise on a question of privilege or a point of order?

Mr. Benjamin: I said both, just to be on the safe side.

The Acting Speaker (Mr. Corbin): The matter he raised would be more aptly described as a point of order. Hon. Members, in referring to their other colleagues in the House, should be very careful not to impute motive or to suggest the same. Of course it would be against honourable parliamentary practice to proceed in that fashion. Therefore I caution all Hon. Members to be very careful in their choice of words in that respect.

Mr. Harquail: Mr. Speaker, I certainly agree with your remarks. I was not imputing anything and I never would. I was expressing an opinion. When the Hon. Member for Regina West (Mr. Benjamin) used his time in this democratic institution, I did not interrupt him. There is a possibility from time to time that interest groups will sign petitions, for whatever reason. We are free to judge their motives for bringing in petitions and drafting them. Who signs them and whether they are properly signed is left for us to judge.

Returning to my argument with regard to abuse, I must say that I invite the Hon. Member to participate in the debate. That is what this place is all about. If I give my view and the Hon. Member does not like it, he can debate it with me. I welcome that. It is exactly what we are supposed to do here. Let me remind the Hon. Member that the Hon. Member for Yorkton-Melville (Mr. Nystrom) brought in a large obstacle; I do not know how to describe it. It was a painted crow.

Mr. Benjamin: A piece of plywood.

Mr. Harquail: He is an experienced Member of the House. He knew the rules. These were not his first days in the House of Commons, but I suggest with respect to petitions regarding grain rates, that he was, in whatever terminology one wants to use, trampling on, interfering with and abusing the rules of the House of Commons.

Mr. Benjamin: The Speaker dealt with that.

Mr. Harquail: We cannot condone that; we cannot agree to it and allow it to happen. With all due respect to the New Democratic Party and with all due regard for its rights, we cannot go that far and allow its Members to do that. In our daily duties we have to be steadfast and be on watch to defend

and support the Chair so that this type of thing does not go on. This is what I meant when I said that we must be careful of the latitude we allow in the name of petitions.

The Acting Speaker (Mr. Corbin): Order, please. Pursuant to Standing Order 24(2), it is my duty to interrupt the proceedings. There being no other item on the order of business for today, the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

At 5.38 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, June 2, 1983

The House met at 11 a.m.

• (1105)

[*English*]

POINT OF ORDER

MR. DEANS—NOTICE OF POSSIBLE POINT TO BE RAISED

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I rise on a minor point of order that I would like to reserve at the moment. During the proceedings of Private Members' Hour yesterday, there arose a rather unusual situation. We are attempting at the moment to hear the actual tape recording of the proceedings in order to determine whether or not the situation occurred in the way that we believe it occurred; and if it did, we reserve the right to raise a point of order at a later time.

The Acting Speaker (Mr. Corbin): The Hon. Member's point is well taken.

GOVERNMENT ORDERS

[*English*]

UNEMPLOYMENT INSURANCE ACT, 1971 (NO. 3)

MEASURE TO AMEND

On the Order: Government Bills (Commons):

Second reading and reference to the Standing Committee on Labour, Manpower and Immigration of Bill C-156, An Act to amend the Unemployment Insurance Act, 1971 (No. 3).

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Mr. Speaker, I rise on a point of order. Before proceeding with the second reading of the Bill, I would like to point out that, after discussions held among all Parties representing the House, I should like to ask consent of the House for the following changes.

• (1110)

First of all, after second reading this Bill will be referred to a Committee of the Whole rather than a Standing Committee. Second, we have obtained royal recommendations permitting several amendments in Committee; these are now at the Table and I ask leave to have them printed in the *Votes and Proceedings*. After Committee and the pro forma report stage, we would proceed immediately to third reading of the Bill.

Mr. Keeper: Mr. Speaker, we are prepared to co-operate fully on this side of the House. However, we have some small but what we feel are important amendments. One concerns fishermen and the other maternity benefits as they affect natural parents. We would like to be able to introduce those amendments today at the same time as the Government introduces its amendments.

The Acting Speaker (Mr. Corbin): The House has heard the proposal put forward by the Minister of Employment and Immigration (Mr. Axworthy). Is the proposal agreeable to the House?

Mr. McGrath: Mr. Speaker, I have to point out to the House that what the Hon. Member for Winnipeg-St. James (Mr. Keeper) is seeking now is at variance with the understanding and accord entered into with the Government. The Government extracted from us an undertaking that we would proceed with all stages of the Bill and deal with it in Committee of the Whole and that there would be no amendments except those put forward by the Government. We agreed to that but now the hon. gentleman seeks consent for his own amendments. That is completely contrary to the understanding and perhaps the Minister could confirm that.

Mr. Axworthy: Mr. Speaker, I would want to confirm what the Hon. Member for St. John's East (Mr. McGrath) indicated. We proposed to Members of the Opposition Parties that there were some critical amendments to be introduced and that we would have some additional amendments relating to maternity benefits and adoptive parents. At no time did I receive an indication that other amendments would be introduced at Committee stage. I am a little surprised to hear the Member from the NDP make that recommendation because it was not drawn to my attention when we had the discussion.

Mr. Deans: Mr. Speaker, I was party to the negotiations that took place with regard to the agreement to pass the Bill today. At no time did I give any undertaking that there would be no amendments moved from this side of the House, neither was I asked for such an undertaking. I agreed on behalf of this Party that we would proceed with this Bill starting at eleven o'clock or as close thereto as we could, and complete it in all stages today. There was never any suggestion made to me at any of the meetings I attended that we were not to be allowed to move amendments.

I want to put it to you quite bluntly, Mr. Speaker, that we intend to move the amendments. If that understanding is not acceptable, then I suppose the whole agreement is in jeopardy.

Mr. McGrath: Mr. Speaker, I suggest that we get on with the Bill. In the interim, the House Leader for the NDP could confer with my House Leader and a representative of the Government and perhaps resolve the matter that way. In the meantime we are losing valuable time; we only have one day.

The Acting Speaker (Mr. Corbin): The House has heard the proposal put forward by the Minister of Manpower and Immigration. Is it agreed?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Corbin): Agreed and so ordered.

Mr. Axworthy moved that Bill C-156, an Act to amend the Unemployment Insurance Act, 1971 (No. 3), be read the second time and, by unanimous consent, referred to a Committee of the Whole.

[*Translation*]

He said: Mr. Speaker, I am rising in the House to introduce Bill C-156, an Act to amend the Unemployment Insurance Act, 1971, for second reading. Before considering the proposed changes, I would like to deal briefly with the role of unemployment insurance as a system for providing income support and as a labour market adjustment mechanism.

[*English*]

I think it has been well understood by most Canadians during this very difficult period that the unemployment insurance system has made a remarkable contribution in maintaining a sense of security for many Canadians who were faced with the serious difficulty and tragedy of unemployment. It has also been able to maintain a very great degree of stability in our total social and economic system as a result. It has demonstrated its value as an important and significant framework of economic and social legislation during this very critical period of time.

• (1115)

I would like to point out to Hon. Members of the House that the unemployment insurance system has been one which has been constantly updated in order to be relevant and contemporary with changing economic conditions. I simply hearken back, in particular, to the major amendments which were made to the Bill in 1971 by one of my predecessors, the Hon. Member for Lincoln (Mr. Mackasey), who has unquestionably provided one of the most important contributions to expanding the application of universality to the unemployment insurance system, as well as introducing very many critical and important social clauses to that Bill, which allows Canadians during the 1980s who are faced with recession to be able to absorb the kinds of shocks and difficulties they have had to face.

We also recognize, Mr. Speaker, that it is very important to undertake a constant review and adaptation of the unemployment insurance system so that we can constantly have it evolve as a proper and effective governmental, legislative tool as the economic and industrial environment of Canada goes through change.

In that respect I would like to report to Hon. Members of the House that we are continuing to review many of the essential ingredients of the Unemployment Insurance Act. We have submitted some of the critical questions, such as the nature of payments and contributions, the phases of benefits and other means of trying to develop a more efficient and effective system as well as a more equitable system, during this period of time. I certainly am one of those in this House who share the view that changes and reform to the system must be a matter of constant undertaking by Parliament.

I would like to suggest at this particular second reading of the Bill, that we limit our modifications and refinement to a couple of very critical areas, partly because of the demands of time and partly because this is not the time in which we should undertake a major restructuring of unemployment insurance. I feel we are certainly looking forward to a period of recovery in Canada, but at the same time there are many Canadians who are still unemployed and who still require the services of the unemployment insurance system. Now is not the time to start major reformulation and restructuring. It is under continual pressure. As a result we must ensure that any changes we make do not destabilize the system and make it unworkable during a time when it is providing such a major source of support and security for so many Canadians.

Therefore, the proposals we will be making today on second reading deal with essential and necessary changes to the Unemployment Insurance Act, as well as some major areas relating to an inequitous clause under the Act with respect to women and the family position in Canada. I hope that Hon. Members will limit themselves to those kinds of changes.

That does not mean to say, however, that we will stand still and not continue with modifications. We still have the opportunity to undertake a number of imaginative uses of unemployment insurance. I would like to point out to Hon. Members how in the past year and a half we have slowly, but very deliberately, started to reshape the direction of unemployment insurance towards an employment insurance program. This would be a program which would not only provide income security during a period of a loss of job, but it can also be used to help people keep their jobs as a system of providing a way of using those funds to provide job protection and security.

It is that area where, I believe, we have made some of our most important changes and progress during this past year. Let me point out, for example, Mr. Speaker, that we have successfully employed Section 38 of the Unemployment Insurance Act to help keep people working during a time of instability and have, therefore, provided employment for over 31,000 Canadians. They have been able to undertake very useful and effective work in fisheries, forestry and mining; moreover, it allows people to stay on the job and keep themselves at work rather than staying at home and going through the frustration and the anxiety of being idle. Therefore, I feel

Section 38 has demonstrated its value as a way of helping the evolution of unemployment insurance towards that concept of employment insurance.

• (1120)

Equally, Mr. Speaker, I think Members also recognize the important contribution the work-sharing program has made over the past year and a half. Under Section 37 we have now signed over 13,000 work-sharing agreements with Canadian firms and their workers. Those agreements have provided income and job security for over 250,000 Canadian workers. The work-sharing program is still being used by a large number of Canadian workers and their firms on a voluntary basis. That is unquestionably a clear demonstration of the willingness of Canadian workers, unions, employers and the federal Government to co-operate in a partnership to help keep people on the job. Recent evaluations we undertook have demonstrated that 90 per cent of Canadian workers in the program support it and were prepared to pay higher unemployment insurance premiums to see it continue. I think that is clear proof of its value during these difficult times.

As Members know, I recently announced the Government's approval of taking work sharing one step further to use it as a tool for preventing lay-offs and to provide an orderly transition for workers faced with technological change and industrial dislocation. Thus rather than have workers laid off and going through a kind of cold turkey on the street when a firm has to change to new equipment or new technology, we can now use this program over a 50-week period to enable management and workers to design a system for retraining, proper counselling and guidance so that workers are not sent onto the street and have in fact the opportunity to adapt to industrial change. I hope Members of Parliament will help us in the development of these pilot projects so that we can use this to face what is unquestionably one of the most serious concerns among Canadians—how to protect their job. Using this program under the UI system provides one of those basic and essential ingredients to provide that job security.

I can see a clear demonstration of this in my own Province, Mr. Speaker. In Thompson, Manitoba we had a major lay-off of over 2,000 workers at Inco. At the inception of the lay-off a Section 38 program was brought into play where something like 500 to 700 of those workers were employed for over two or three months doing major work in helping to expand the hospital system, provide major revisions in the physical structures of the schools, helping to rebuild the union centre and do a number of major light construction jobs around the town of Thompson. We were then able to introduce a work-sharing program into the Inco mine which has now enabled 2,000 workers to go back to work. So with that one firm in that one town in my Province, the new applications of unemployment insurance regulations have demonstrated their value. I would ask any Member who has any doubt whatsoever to go to Thompson and ask those workers and their United Steel Workers Local whether they think this particular direction we are moving in is valuable? I know what kind of answer they will get because they have told me personally how much they support this kind of movement.

At the same time, Mr. Speaker, we recognize there have been many examples over the past several months where regulations under the Unemployment Insurance Act sometimes appear to be unbending and too rigid. I want to tell Members of the House this morning that the CEIC has implemented a system of quality control to ensure that claimants are treated with fairness under an appeal procedure within the system. In addition, we have undertaken to refer a number of the regulatory requirements under the Act to a legal expert from Laval University to do a major review for us on some of the regulations themselves and how they can be applied with greater fairness and equity. I hope to be able to report back to Parliament in the fall, particularly to the Standing Committee on Labour, Manpower and Immigration, on the findings in this area and the kind of regulatory changes we will make after the review is completed.

Those are the kind of changes we are making without having to go through statutory amendments. At the same time, we do face some very essential and necessary changes to the Act due to circumstances somewhat beyond our control but nonetheless necessary. Action is required to put in place something that we have talked about for too long but have not taken acted on, that is, to introduce more equity into the payment of maternity benefits and to extend those benefits to the parents of adopted children.

• (1125)

[*Translation*]

Mr. Speaker, we need your support to get these changes through the House. Otherwise, the provisions will expire on June 4. One hundred thousand Canadians might lose their benefits next year. These workers, who live in areas with high unemployment, may have accumulated less than fourteen weeks of employment and will no longer be entitled to unemployment insurance benefits.

[*English*]

Obviously, the question of entrance requirements is central to the whole operation of the unemployment insurance system. As we all know, on June 4 of this year we face a sunset clause which would require the entrance requirements under the Unemployment Insurance Act to be a standard 14 weeks right across Canada. That would mean that many Canadians who are in areas of particularly high unemployment would not have the eligibility for a ten-week requirement.

Therefore, one of the major amendments that we are introducing today under second reading is to restore, for a two-year period, the ten-week to 14-week variable entrance requirement to ensure that Canadians in regions of high unemployment will still be able to have the kind of special requirements under the Bill which would be allowed to them under the ten-week rule. I think this would recommend itself to all Members of the House without much debate. It affects close to 100,000 Canadians. While it would have a saving of

perhaps some $500 million to the fund, the kind of ensuing hardship which would be extracted by those who would be faced with a 14-week requirement I do not think any Member of the House would want to impose upon that particular segment of Canadian workers.

Therefore, I would ask for support in that particular amendment to extend the ten-week to 14-week variable entrance requirement for another two years at which time, perhaps, the House of Commons and Senate would be in a position to re-examine the whole structure of the unemployment insurance system and be prepared to make longer term amendments and reformulations of the Act.

The second major amendment contained in the Bill clarifies the Commission's authority to establish special regulations for Canada's fishermen. This particular requirement on the Act was first initiated in 1957. Fishermen, particularly self-employed fishermen, have a very special place in the unemployment insurance system. While self-employed people are not normally eligible for benefits, we have had to develop unique rules for fishermen, taking into account the seasonal nature of their work. They comprise a category of workers that is quite unique in our country.

These special regulations have been called into doubt as a result of the March 24 decision by the Supreme Court in the Vicky Silk case. While the Supreme Court upheld the appeal of the Federal Court decision, it ruled that regulations restricting the qualifying period for fishermen are in conflict with provisions of Section 146 of the Unemployment Insurance Act and therefore ultra vires. Essentially, it said that we have no right to treat fishermen differently from any other group, despite the seasonal nature of their work. It would affect some 35,000 fishermen, with particular impact in areas of the Atlantic Provinces, Quebec and the West Coast. What the amendment does is simply to reaffirm and strengthen the power of the Commission to make special regulations and in effect, restores our power to undertake the kind of requirements we place under the Act for fishermen to receive benefits.

The proposed amendment would promote stability of the fishing industry by enabling us to put into effect many of the key recommendations contained in the Kirby Task Force Report relating to the fisheries industry across Canada. The changes would also directly affect the ability of inland fishermen and other winter fishermen by allowing them to become eligible for benefits as well, consistent with their fishing season, which will come as great news for fishermen on the Great Lakes system and in my own area of the Prairies.

I want to make it clear that the Task Force recommendations could not be implemented under the provision of the order of the Supreme Court. The amendments that we are now introducing into the House will allow us to continue the power to implement the special requirements outlined by the Kirby Task Force.

• (1130)

We will also be introducing the rights of claimants to deal with some other special problems identified in the Kirby Report, such as the right of claimants to build boats while drawing benefits and new benefit levels based on the best ten weeks of earnings in fishing. That is a key requirement of the Kirby Task Force. I know it is a recommendation that will be largely supported by the fishing community across Canada. The amendments in this area, therefore, will encourage increased stability of the fishing industry by improving income protection and permitting the recommendations of the Kirby Task Force which were meant to rationalize the industry.

The third set of amendments propose to strengthen the regulatory power granted to the Commission in dealing with workers on annual contracts but with recurring time off. Categories of workers to fall under this definition are most obviously school teachers but they also include marine captains, navigational pilots and some professional athletes.

Once again, we were faced with a Federal Court decision which indicated that its interpretation of the present Act would require us to pay benefits to teachers on their off season, for example, even though they are being paid a full annual contract by their school boards. I think Members would recognize that this would essentially create a double system of benefits and would cost the unemployment insurance system somewhere between $300 million and $400 million alone. Therefore, we are asking for clarification of the right of the Commission to make regulations to ensure that that Federal Court interpretation would not provide the requirement for teachers to have that particular permission of payment even though they are under a particular contract of service. I would welcome Members of the House giving their support to this particular amendment so that we can clarify the Act and the law in this particular judicial decision.

That essentially sums up the contents of the Bill as it is presently presented to the House. As you know, Mr. Speaker, I also hope to introduce several amendments related to maternity and adoptive parents benefits. We would hope to be in a position to introduce these amendments at the Committee stage, and with the introduction of this Bill I think we are in a good position to do that.

I chose this approach because it was obviously essential the Act be passed by the June 4 date so the relevant sunset clauses that apply to the other amendments would not come into play. At the same time I want to express my own appreciation to Members of the opposition Parties who have indicated they are prepared to give quick passage to this Bill so that we may introduce the changes to the maternity benefits provision. I think this speaks to the consensus on the importance of both these issues as well as to a level of co-operation that Members have personally given me. I appreciate their gesture in this matter and I know many Canadian women will applaud this particular act by both sides of the House in bringing these amendments forward.

The particular amendments that we are introducing are to those sections which have been recognized as being inequitable

in terms of the present Act. The Canadian Human Rights Commission has commented upon them and many women's organizations across Canada have indicated very clearly that the present system of maternity benefits is unfair.

I think we should also underline that these amendments which we propose to introduce at Committee will also speak to a very critical change in the work force. Women are no longer simply secondary workers in the work force but full-time workers and, therefore must be recognized as such under the Unempoyment Insurance Act. As well, we must recognize that in major social and economic change we must still try to provide full protection for the concept and values of the family status. As a result of particular provisions of the Act, people were forced to make choices and so were employers. We hope these amendments will clarify that very quickly and take into account changes taking place in our society.

The first amendment which we propose goes back to the 12-year-old maternity benefit. Under the proposed amendment, the outdated Section 46 would be deleted. This restrictive clause now prevents pregnant women not qualified for maternity benefits from drawing regular or sickness benefits in the weeks surrounding the birth. Such women will now only have to show that they are unemployed, capable of and available for work like other Canadians. We estimate that this legislative change will cost the fund $50 million, but would benefit close to 20,000 Canadian women in the work force.

We also propose to provide more equity to women by eliminating the so-called "magic ten" rule. Under this rule, a woman now has to prove that she worked for ten weeks around the time of conception. The intent of this requirement was to prevent women who found they were pregnant from seeking work to qualify later for unemployment insurance. Now, when women are such an integral part of our labour force, such a barrier is obviously not in tune with the times. It is also unfair to those women who have a long work history but do not happen to meet that rule at the particular time they become pregnant. According to the proposed amendments, any claimant who has worked 20 weeks in a qualifying period will be eligible for maternity benefits, the same as for all other special benefits.

Finally, I propose to alter the time in which maternity benefits can be claimed by providing additional flexibility. This flexibility will permit many mothers of premature and sick babies more time in which to receive maternity benefits. A maternity claimant who has been on regular unemployment insurance for 15 weeks or more has not been able to switch to maternity benefits under the present Act. That is because maternity benefits could only be paid in the first 15 weeks of a benefit period. Under our amendments, benefits would also be paid at any time during a 25-week period rather than being restricted to the first 15 weeks of the initial benefit period.

The new flexibility in the system will add an extra $80 million to costs in 1984-85 but the changes are expected to benefit some 65,000 women in the work force who would otherwise find the Act too restrictive.

We also propose to extend the same rights under the Unemployment Insurance Act to adoptive parents as natural parents have. The federal Government must enable parents to offer their new children the best of care. The amendment, if approved, would authorize benefits of up to 15 weeks to either of the prospective parents. Claimants will simply have to show that they have at least 20 weeks of insurable employment in the last 52, much the same as if they were claiming sickness or maternity benefits. Approximately 7,500 adoptive parents could benefit from the new legislation at a cost of some $22 million in 1984-85.

Unemployment insurance benefits for adoptive parents have been discussed for a number of years. In the past couple of years, I have received some 120 letters from Members of Parliament endorsing this change. I expect this is one clause in particular that will have full support from both sides of the House. The Task Force Report on unemployment insurance also adopts these recommendations. With the support of Hon. Members, we can have these provisions for adoptive parents and changes to maternity benefits in place by January 1, 1984.

That summarizes both the amendments in the Bill itself as well as the amendments we propose to introduce at second reading and Committee. Once again, I appreciate the support of the House for allowing us to undertake the debate of this Bill in one day. I believe that Bill C-156 reaffirms the Government's commitment to maintain income protection for those people without work as well as to try to redevelop the Unemployment Insurance Act as a vital act. It will enable Canadians to use the unemployment insurance system not just for income security but also as a way of protecting jobs. I call on Members of the House to support these amendments and give them swift passage.

Hon. James A. McGrath (St. John's East): Mr. Speaker, first I want to say to the Minister that he is right when speaking to the consensus in the House to give this Bill passage at all stages in one day. It speaks to the consensus which exists in this place on the urgency of the matter and the serious unemployment situation which exists in the country today.

I also have to say to the Minister that while I do not hold him personally accountable, since he does not have much to do with the management of the business of the House, I believe this is a sleazy way to treat Parliament. Let me explain why. This Bill did not receive first reading until May 18. The Bill that received first reading on May 18 contained only the sunset clauses that will expire on June 4 and the clauses dealing with the Supreme Court decision on the Vicky Silk case.

Approximately at the first reading of the Bill on May 18 I was handed a letter from the Minister. I had a discussion with the Minister's Parliamentary Secretary. I was handed further additional amendments with which the Government intended to proceed if we in the Opposition agreed to a one-day debate. But here is the position in which we are placed. Obviously, we had to agree to a one-day debate on the sunset clauses because today is June 2 and the provisions regarding variable entry

expire on June 4. Therefore we had to agree with that. If we did not agree to including the changes in the maternity provisions, the repeal of the iniquitous, unjust and unfair Section 46 and the new adoptive parent provisions in the one-day debate, the Government was not prepared to proceed with the Bill. That is what I call pretty sleazy. That is what I call holding this House up to ransom. We were left in the position if we did not agree to a one-day debate that we would have to carry the burden of responsibility for a continuation of these unjust and unfair provisions in the Act which have been there for the past 12 years.

• (1140)

We, Sir, would have looked upon this as an opportunity to reopen the Unemployment Insurance Act to give it the kind of exhaustive study it requires, to call witnesses as well as to see what improvements we could make to adjust the Act to the reality of the situation that we find today. It would have been an opportunity not only to close the loopholes in terms of the Vicky Silk case and in terms of extending the variable entry requirements, but to see what other ways we could improve the Unemployment Insurance Act so as to adapt itself to the realities of the day.

I believe this Bill would have given us that very opportunity, and in that regard I have to say I disagree with the Minister that this is not the time to start restructuring the Unemployment Insurance Act. I think this is the time. I intend to make the case for that during the course of my remarks. Obviously the unemployment situation is so bad, and it is going to be with us for so long, that the entire provisions of the Act are no longer really relevant to cope with the situation. We now have the problem of the exhaustees. These exhaustees are coming on to the statistical catalogue at the rate of 50,000 or 60,000 a month.

I have to say that we agreed to a one-day debate; we agreed to a one-day debate on the Government's amendments reluctantly. We did so not because we did not support the repeal of Section 12 and the closing of the gap with respect to treating women equally in terms of maternity benefits and to treating adoptive and natural parents equally. However, we resent being presented with this measure at the eleventh hour and told that if we cannot deal with it in a day then we have to take the responsibility for not having maternity benefits changed, not having adoptive parents benefits put into the Act or getting on with extending the sunset provisions.

With regard to the sunset provisions, *en passant*, and the variable entrance requirements, for which I can claim some parentage, it was our Party through myself as spokesman who suggested these variable entry requirements when the Bill was last being amended to deal with what was then a problem of regional disparity. Subsequently, of course, it has become a national problem. I intend as well to point out to the House the absolute need for extending the variable entrance requirements and giving the Government the power, arising out of the Vicky Silk Supreme Court decision, to make decisions with respect to fishermen, and with respect to fishermen on the Great Lakes and in the northern areas of Canada.

In reopening the Unemployment Insurance Act we have to ask ourselves how we propose to pay for these provisions. During the course of a brief discussion on this Bill in committee during the estimates of the Minister, I sought to obtain from the Minister an undertaking that there would be no increase in the premiums. I made the point then, and I make it again now, that to increase the premiums at this particular time would represent a disincentive to the private sector to create jobs because to do so would impose an additional burden, particularly on small business. I did not get the undertaking I asked for from the Minister during the course of the committee hearings.

Miss MacDonald: Neither did I.

Mr. McGrath: I noted the Minister made no reference to that during the course of his speech except to indicate what it would cost in additional charges to the fund to make these changes in the Act. I am looking forward to Committee of the Whole when we will have a chance to question the Minister.

We are now in the era of the billion dollar a month unemployment insurance benefits. We passed the billion dollar mark at the end of last year. Let us take a look at where we are today in terms of the state of the UI fund. In January, 1983 $1.05 billion was paid out in benefits to 1.5 million Canadians. In February the figure went down slightly to $997 million. The change was negligible. In March the benefits jumped to $1.47 billion paid out to 1.5 million Canadians. Benefits paid out in March were up 46 per cent from benefits paid out in March of the previous year. In 1982 a record $8.4 billion was paid out to Canadians in UI benefits. Of course, the all-time record will be this year.

I believe very strongly that if we are to address ourselves to financing these necessary changes, these humane changes, these changes which we as the Official Opposition support, then it will be necessary, notwithstanding the Minister's view, to think in terms of restructuring the Unemployment Insurance Act because the unemployment situation facing the country today will be with us into the 1980s. We have that forecasts on the authority of the Minister of Finance (Mr. Lalonde) during the course of his budget presentation to this House.

The Government has had lots of time. Why is it we are only dealing with these changes at this time, the genesis of the changes with respect to maternity benefits in Section 46, and the adoptive parent benefits? These are from the study commissioned by the Minister on unemployment insurance in the 1980s and undertaken by a task force. The Minister has had the report since July, 1981. The Minister of Employment and Immigration (Mr. Axworthy) has had the recommendations of the task force for over two years and yet he comes to the House and says: "We have one day to deal with it". If that is not a sleazy, irresponsible way to deal with Parliament, I do not know what is. I do not hold the Minister totally responsible, because he is not responsible for the management of the

House, but I certainly hold his colleague, the President of the Privy Council (Mr. Pinard), responsible for his sleazy treatment of Parliament.

Let us go back to the genesis of the changes. Let us go back to what the task force had to say. Let me read from page 70:

> The Task Force also favours the extension of maternity benefits to adoptive parents. These changes will result in much more equitable maternity provisions. The earnings interruptions of adoptive and natural parents will receive similar recognition, while elimination of the special maternity conditions will remove the potential inequities contained in such rules.

Then the report goes on with regard to maternity benefits, which comments I think are worth putting on the record because they sum up the view of the Official Opposition with respect to Section 46. We read:

> Return to a strict physical incapacity basis for maternity benefits would re-establish a clear philosophical foundation for their payment and achieve significant cost savings. However, in the judgment of the Task Force, it would constitute a significant step backwards in social policy.

That is the judgment of my colleagues and myself as well. This paragraph continues:

> In a period in which women's labour force participation is increasing steadily, such a change would greatly reduce the income protection capacity of UI as it applies to working women. Since it would contradict the intent of the 1975 Statute Law, referred to above, it would be difficult to justify.

Indeed, it would be difficult to justify. That is what the task force had to say two years ago.

Why has it taken the Minister of Employment and Immigration two years to come to the House with these long overdue amendments? Why does he come to the House and say we only have one day to deal with them in all stages? That is the question which the Minister has to address to the House and to the women of this nation who have had to suffer the inequities of Section 46 for two years during which changes could have been and should have been made if the recommendations of the task force had been implemented. The state of the Unemployment Insurance Fund is relevant. We will have more to say about this. I hope the Minister will address himself to it when we get to Committee of the Whole.

• (1150)

Why did the task force feel so strongly about Section 46 back in July, 1981? Obviously it was recognizing changes in the patterns of the work force, the emergence of the role of women as a major and permanent factor in the work force. I suspect it was also looking into the future because, based on our experience in the last recession when we lost have a half million jobs, the disadvantaged are the first to go and the last to be rehired.

In terms of the work force, who are the disadvantaged? The disadvantaged are women, young people and native people. That is why we look at the unemployment statistics today with a great deal of concern. For example, we find that in April, 1983 609,000 women were unemployed as opposed to 490,000 last year. We are told that this is going to get worse as we get into the new microchip society, the new industrial revolution in high-tech.

The task force was obviously able to anticipate what would happen in terms of the experience of the last recession. That, of course, is precisely what has happened. That is why there are so many women and young people unemployed in this country today. That is why the prospects of women being rehired are diminishing. It is because of the implementation of the new technology.

I want to talk for a minute about where we are in terms of women in the work force. My colleague from Kingston and the Islands (Miss MacDonald) will have to say more about that. It does speak to the position in which we find ourselves today with respect to women in the work force. Not only are they behind, but they continue to fall behind in terms of being discriminated against with respect to the work force.

Very simply, to relate the impact of high-tech on women is merely to look at the service jobs of the country, the majority of which are filled by women, and to see what word processors are doing to clerical occupations in the country. We see that in our own offices today. Women let go as a result of the recession in many services unfortunately will not be rehired. That is why I believe it will be necessary before too long to start thinking in terms of restructuring and changing the Unemployment Insurance Act to make it more relevant to the reality of the situation, a situation in which the Government, as part of its policy, bases its fiscal and monetary policy on projections which will see unemployment in double-digit dimensions go through the eighties and into the early nineties. We had that on the authority of the Minister of Finance in the course of his budget presentation to this House.

We now come to fishermen's benefits. This, of course, is not only a result of the decision handed down by the Supreme Court in the Vicky Silk case which was, as the Minister indicated, a decision by the Supreme Court stating that the Canada Employment Commission had no authority under the Act to make special benefits or regulations for fishermen. The consequence of that is the changes before us in the amendments which the Minister has brought to the House.

As well, there are the recommendations of the Kirby Task Force dealing with other provisions with respect to Unemployment Insurance benefits for fishermen. For example, there is the right of fishermen to draw Unemployment Insurance benefits in the fresh water regions of the country.

We welcome the changes that are being brought forward today. Some of my colleagues are concerned about the impact this will have on the Unemployment Insurance Fund. Hopefully, some of them will express that concern during the course of the debate.

We are concerned that the Government has seen fit to bring in this Bill at the eleventh hour, holding the gun to our head as Parliamentarians and forcing us to deal with all phases of the Bill in one day. That, of course, does not, nor is it intended to in any way, diminish our support for what the Bill seeks to achieve, which is to close the inequities in the Unemployment Insurance Act so that women who have to seek recourse under the maternity provisions of the Act will have the same benefits

and be treated the same as anybody else under the Unemployment Insurance Act who receives sickness benefits.

Finally, I want to say this about the Act. It has been reopened now to deal with these long overdue amendments and to deal with the sunset provisions which expire in a couple of days. We have to think about changing the Act to deal with the reality of the present situation. I have no hesitation in putting this on the record. My colleague, the Hon. Member for Etobicoke Centre (Mr. Wilson), put forward a proposal which I personally endorse. In this regard I cannot pretend to speak for my colleagues because it has not been discussed in my caucus.

In terms of the present recession and the scope and extent of the unemployment situation, we should think of extending the benefit period to deal with the long-term unemployed. We have the phenomenon now of a large number of Canadians who are classified as long-term unemployed. If my memory serves me correctly, there are just under a million Canadians who are now officially long-term unemployed. Many of these are accounted for in the 50,000 to 60,000 unemployment insurance exhaustees who come on to the statistical record every month.

My colleague put forward the proposal that we extend the benefit period to cope with long-term unemployment because it would be better to extend Unemployment Insurance benefits than to have the exhaustees humiliated by undergoing a means test when applying for welfare, half of which will be paid by the federal Government in any event under the Canada Assistance Plan. I support that provision. I believe it is one that under the present circumstances would find favour with my colleagues in the Official Opposition, although it is a proposal that has not been considered at this time by the Official Opposition.

In conclusion, I look forward to the comments of my colleague, the Hon. Member for Kingston and the Islands. She has provided leadership in many areas of the—I am trying to pay a compliment to the hon. lady and she persists in interrupting me. I am merely trying to say that she deserves recognition for the leadership she has provided.

• (1200)

For example, I remember that the very first act of the Conservative Government of 1979 was to bring in a Bill extending the spouse's allowance which had previously treated women unjustly and unfairly. That was the first act of the Conservative Government in which my hon. colleague from Kingston and the Islands was a distinguished Minister. Of course, as spokesperson on women's issues for the Official Opposition, she on many occasions has put forward her concerns with regard to the unjust provisions of the Bills as they deal with maternity benefits.

I would also like to point out that my colleague, the Hon. Member for Bow River (Mr. Taylor), the distinguished Assistant Whip of this Party, brought before the House a Private Member's Bill that dealt with the unjust provision of the Act which failed to address the issue of eligibility for unemployment insurance benefits under the maternity provisions of the Act for parents who adopt children.

As well, my colleague the Hon. Member for Simcoe North (Mr. Lewis) put forward a motion under Standing Order 43 a year or so ago calling for the Government to agree to change the Act and repeal Section 46 to provide the same treatment under the terms of the Act for adoptive parents as for parents who were entitled to maternity benefits. That motion, of course, did not achieve the required unanimous consent.

We agree, Mr. Speaker, to honour the commitment we made to the Government to deal with all provisions of this Bill today. I point out to my colleague, the Hon. Member for Winnipeg-St. James (Mr. Keeper), that we intend to hold him to the commitment that we made on the floor of the House to deal only with the Government's amendments. That is our understanding of the undertaking we made. It is also our understanding of the undertaking that was made by Members of the NDP. We intend to hold them to that undertaking and we hope that a satisfactory solution can be reached before we come to an impasse. God knows that we have little enough time left as it is to deal with these very important provisions in the Bill as we go into Committee of the Whole.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I welcome this opportunity to speak on the Unemployment Insurance Act. I would like to begin with an overview of what the amendments to the Unemployment Insurance Act cover. We, of course, are supportive of the over-all thrust of this legislation, but in spite of the positive things that are contained in it, much more remains to be done.

This legislation, Mr. Speaker, deals with variable entrance requirements which would allow people to collect unemployment insurance with fewer qualifying weeks in regions of higher unemployment. It has become necessary for us to deal with this legislation because there is a sunset clause attached to this provision of the legislation. So that we do not jeopardize the unemployment insurance claims of these people, we of course support this provision.

The Bill also attempts to deal with something called the Silk case which has to do with unemployment insurance benefits for fishermen. While we in this Party see the need for unemployment insurance benefits for fishermen, we have heard very urgently and strongly felt concerns expressed by fishermen about the adequacy of the present unemployment insurance system as it affects fishermen. My colleague, the Hon. Member for Comox-Powell River (Mr. Skelly), will go into this matter in more detail later on today, Mr. Speaker, because the rights of fishermen to unemployment insurance benefits have not yet received adequate attention.

It is obviously necessary to have an unemployment insurance system for fishermen and this Bill does provide for that to continue, but a more equitable system is needed, a system that ensures that all fishermen will get the unemployment insurance benefits that they are entitled to. It is with this in mind, Mr. Speaker, that we prepared an amendment to the Bill before us regarding fishermen.

We on this side of the House did agree to a one-day debate with regard to this legislation. That can be seen as a measure of our desire to have the positive items in this legislation receive approval. But clearly there are matters of great concern to people in the country that are not yet addressed in the legislation, and that is why we drafted amendments, one of which is in regard to fishermen. Since the Government introduced amendments to its own legislation today, we feel that it is only reasonable that we should be able to bring forward amendments at the same time, particularly in light of the fact that we are co-operating with the Government to see that this legislation is dealt with in an expeditious fashion.

It surprises me, Mr. Speaker, that the Hon. Member for St. John's East (Mr. McGrath) is co-operating with the Liberals in order to deny us this opportunity to introduce amendments which would address the concerns of fishermen in a more adequate way than in the present legislation. This leaves me with the impression that the Liberals and the Conservatives have formed a coalition to block the NDP from presenting the real concerns of fishermen in any adequate fashion. I do not want to dwell on that for too long, Mr. Speaker, because my colleague, the Hon. Member for Comox-Powell River, will go into that issue in some detail.

Mr. McGrath: Mr. Speaker, I must rise on a point of order to seek your assistance. The Hon. Member has no right to impute motives. I indicated to the Hon. Member very clearly why I felt that the procedure he was suggesting was unacceptable, and that was because we had agreed to a one-day debate. That does not mean that I support everything the Government does and that I believe this is as far as the Government can go. I had already indicated in my speech that we should be reopening the Act. I know that you are about to intervene, Mr. Speaker, and say that this is debate, but the Hon. Member has no right to impute these kinds of motives to me. He made an undertaking, he has abdicated that undertaking and we intend to hold him to it.

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for St. John's East is quite correct in presuming that the Chair will refer to his point as debate. Nevertheless, it is always dangerous for the House to be put in a position where an Hon. Member would impute motives to another Hon. Member. Therefore I would caution all Hon. Members to be very careful in that respect.

Mr. Keeper: Mr. Speaker, I do intend to respect the rules, but I must point out as well as a matter of courtesy that I certainly did not interrupt the speech of the Hon. Member for St. John's East, and I find it incredible that he would interrupt my speech. We have made a commitment to co-operate and allow passage of this legislation in one day and we intend to stand by that commitment.

However, as stated quite clearly by the NDP House Leader, we certainly made no commitment that we would not seek leave of the House to introduce amendments. I would be glad to indicate that the purpose of those amendments is to give some voice to the current concerns of fishermen. I do not intend to impute motives, Mr. Speaker, but I would say that the fishermen who have contacted us have certainly asked us to bring their concerns to the attention of the House.

They would appreciate it if the Hon. Member for St. John's East and the whole Tory caucus would assist us by getting these amendments on the floor of the House. They would appreciate it if the Government would do the same thing, Mr. Speaker. We would appreciate their co-operation in introducing the amendment with regard to fishermen so that the rights of fishermen to unemployment insurance without discrimination could be more adequately dealt with by the legislation before us today. We have co-operated with the Government in allowing the legislation to go through in one day and we have no intention of backing away from that. We do not need the Conservative Party to hold us to our commitments; we make our commitments and we live by them.

• (1210)

This legislation not only deals with the variable entrance requirement and with the Silk case but also the Anderson case. This concerns the capacity of teachers to collect unemployment insurance in the summer months when they are paid on a 12-month basis. The Government is introducing amendments to deal with that situation and that is good.

The other matter that is dealt with by the legislation is maternity leave. We are dealing with the legislation and putting it through in one day because there are positive things in it that remove discrimination that affects women and maternity leave. I will come back to that point more fully later.

That is roughly what the Bill covers, but one of the things it fails to address in an adequate way is employment and income security for people.

At an earlier time unemployment insurance benefits were paid out of general revenues to a greater extent than they are today because the Government had a commitment to provide a job for every Canadian. When the rate of unemployment went above a certain level, rather than benefits coming out of the premiums paid by businesses and workers, instead they came out of general revenues. The Government recognized it had a responsibility to provide an economic climate and a job for everyone. When unemployment increased, the general revenues of the Government would kick money into the Unemployment Insurance Fund to pay for the increased benefits.

It is important that we return to that manner of financing unemployment insurance for a couple of reasons. The first is that when the cost of unemployment insurance comes out of general revenues it is a reminder to the Government that it has to create jobs for people. Second, when the cost of unemployment insurance comes out of general revenues, then it is shared on a more equitable and broad tax base. Premiums for unemployment insurance are regressive and inequitable because the poor pay more in premiums than the general taxation system pays.

I raise the question of premiums because there was an increase in premiums of some 54 per cent last October and

there is the prospect of a further increase this Fall. In Committee we asked the Minister for a commitment that premiums would not increase in the Fall but we did not get it.

It is important that the Government be committed to two things, Mr. Speaker. The very first is full employment, which would mean less of a drain on the Unemployment Insurance Fund and, therefore, less likelihood of an increase in premiums. The next thing is that the financing of unemployment insurance be done in the most equitable way possible. That means that the greater share of the revenues for unemployment insurance should come out of general revenues rather than strictly from premiums. This is an urgent and important matter because there has just been a massive increase in premiums and there is the possibility of a further increase in the Fall.

The other major matter that the legislation fails to address is that as so many people have been unemployed for a long period, more and more of them are exhausting their unemployment insurance benefits and are being forced on to welfare. On a number of occasions this Party has called for the extension of unemployment insurance benefits so that people may enjoy a decent income without being forced on to welfare and suffering the stigma involved. Specifically, we have called for the extension of unemployment insurance benefits by 26 weeks. The response from the Government is that this would be massively expensive and thus impossible. The Government does not seem to recognize that whether people receive their income support from unemployment insurance or from welfare, the money still comes from the public purse. Denying people unemployment insurance benefits does not really save the Government a great deal of money.

The principle involved with the extension of unemployment insurance benefits is one of dignity, Mr. Speaker. Why not simply recognize that it is the responsibility of Government to see that people have work and, second, if the Government is not willing to provide work for people, that it is willing to provide income support by way of unemployment insurance. People have already paid into the fund and therefore have earned their right. If the Government does not keep people on unemployment insurance, then obviously they are going to be forced on to welfare and the Government has to pay in any case.

It was with interest that I noted an article in *The Globe and Mail* today saying that the Hon. Member for Etobicoke Centre (Mr. Wilson), a major candidate for leadership of the Conservative Party, has joined the New Democratic Party's call for an extension of unemployment insurance benefits. If the Liberal Party would follow the lead of the Conservative Party, perhaps we could get these benefits for people and increase their level of dignity. I should like to quote from the article as follows:

> Unemployment insurance benefits should continue indefinitely for the sole wage earner of a family living in areas where unemployment is higher than 10 per cent.

Unemployment is higher than 10 per cent in all of Canada today, according to the statistics that I am familiar with, Mr. Speaker. This is quite clearly an endorsation of the efforts of this Party to achieve an extension of unemployment insurance benefits so that people may have income support in dignity rather than being forced on to welfare. We all know that there is a stigma attached to welfare. The article goes on:

> Continuing benefits . . . would not add greatly to the cost of social assistance because the recipients otherwise would shift to welfare payments if jobs are not available—

So a major leadership candidate for the Conservative Party has endorsed our position regarding unemployment insurance benefits and I welcome it. I hope the Government listens to the reason set forth by the Hon. Member for Etobicoke Centre, which is that the Government is going to have to pay through welfare anyway and so it is time to extend unemployment insurance benefits. He notes that unemployment is higher than 10 per cent. I welcome this call for the extension of unemployment insurance benefits. I think the humanity of the country and the Government would be better served by extending unemployment insurance benefits than by forcing people on to welfare when the Government has failed to live up to a real commitment to provide employment.

The essence of the legislation concerns maternity benefits. We welcome the attempt to remove discrimination as it affects women. For example, there is the "magic ten" rule which provided that women had to be working within certain very specific dates in order to qualify for unemployment insurance in the event of pregnancy. The implication of the "magic ten" rule, without going into detail, was that if a woman became pregnant she would immediately run out and get a job in order to qualify for unemployment insurance benefits and so rip off the system. Clearly the Government has recognized that such is not the case. In today's economic climate it is very difficult to imagine anyone being able to find a job. We welcome this change.

• (1220)

The Government is withdrawing Section 46 so that there will be more flexibility around the administration of maternity benefits, and we welcome that, Mr. Speaker.

The most important part of these changes has to do with the extension of unemployment insurance benefits to adoptive parents. This is something our Party has been calling for. I note, for example, that my colleague, the Hon. Member for New Westminster-Coquitlam (Miss Jewett), had a Private Member's Bill with regard to maternity benefits and adoptive parents, along with my colleague, the Hon. Member for Regina West (Mr. Benjamin). Therefore we welcome this extension of maternity benefits, Mr. Speaker, to adoptive parents just as these benefits presently go to natural parents.

It is interesting the way the Government has extended these benefits to adoptive parents. In making unemployment insurance benefits available in the way of maternity benefits to adoptive parents, it has made those benefits available to both the father and the mother, both the male and female members of the family. This, Mr. Speaker, is a recognition of the principle of parental leave. It shows there is a moving away

from the notion of simply maternity leave, that is, the right of the woman to benefits so that she may take time off in the event of the birth of a child, and a moving towards the principle that both parents have a responsibility to parent children and both have a right to have time off around the birth of a child in order to care adequately for that child.

The Government, in extending unemployment insurance benefits to adoptive parents, is doing more for adoptive parents now than they do for natural parents. It was our intention, Mr. Speaker, to introduce an amendment today which would call upon the Government to make those unemployment insurance benefits which are available to natural parents, not only available to the mother, but to either the mother or the father, within the limits of the benefits which are presently there in the legislation. This is to make the legislation more flexible.

This kind of a change would not cost the Government significantly more than it is costing them presently to administer unemployment insurance. However, it would be an incremental step towards recognizing the principle of parental a moving away from strictly maternity leave to parental leave. That, Mr. Speaker, is an important principle. However, the Government should treat natural parents at least as well as it now proposes to treat adoptive parents.

This was the amendment which we wanted to introduce with regard to maternity benefits, and I would hope that the Government would co-operate to see that that amendment could be introduced and that the Official Opposition would extend the same co-operation. We are now saying, with respect to adoptive parents, that either the male or the female member of the family could receive unemployment insurance benefits. Therefore I say, why not do that for natural parents as well? It will not cost a great deal of extra money. It is just a matter of allowing for some more flexibility.

We welcome these changes with regard to maternity benefits. We welcome the fact that these benefits are being extended to adoptive parents. This is long overdue. We are happy to co-operate in the effort to have that done, Mr. Speaker.

I would like, however, to put this matter into a broader context. How does Canada compare with respect to the provision of maternity benefits with other countries? I will give some examples. In Sweden, maternity and paternity leave extends for nine months with 90 per cent of salary. This can be divided between either parent. In France they have the right to 16 weeks' paid maternity leave at 90 per cent of regular earnings. In West Germany, workers are entitled to 100 per cent of regular earnings for 14 weeks. In Italy, women workers have the right to 20 weeks' maternity leave at 8 per cent of regular earnings. In Canada, Mr. Speaker, we have 15 weeks at 60 per cent of earnings.

Therefore, there are other western industrialized countries which provide a greater measure of support to the family in the event of the birth of a child. There are other countries which have provided a more adequate system of maternity and paternity leave.

What I am doing today, Mr. Speaker, is first of all calling upon the Government to recognize the principle of parental leave, that is, that a family has both a mother and a father, and the Government should recognize that principle. It has alrady recognized it with respect to adoptive parents in the legislation before us. It must also recognize it in terms of natural parents. That would at least be a recognition of the principle.

In the long term we should make a commitment to work towards an adequate system of parental leave. In terms of working towards an adequate system of parental leave, which some other countries have already achieved, I would like to say that I know there would be objections about the cost. Some people who would oppose that would draw pictures of this costing an enormous amount of money. However we treat families, however we treat the birth of a child, there is a cost involved. It is a question of whether we should have measures which allow for nurturing in order to create healthy and full families. If we choose not to provide adequate support for families, Mr. Speaker, we may pay for it further down the road in terms of family break-up, alcoholism, and crime. Everyone knows that it costs an enormous amount of money to keep in prison people who come from troubled families and who lead troubled lives.

So it really comes down to a choice, Mr. Speaker, of whether we want to take preventive measures or rehabilitative measures, or whether we just want to have people suffer. The long-term costs of developing an adequate system of parental leave is going to be paid for one way or the other. Other countries seem to have done a better job in terms of parental leave. We should choose preventive measures rather than rehabilitative measures.

I would call upon the Government to make a commitment to work towards an adequate system of parental leave in this country, and I would call upon it today to accept our amendment which would allow for the equal treatment of natural parents along with adoptive parents as it affects maternity benefits in the existing legislation.

There is some progress in this legislation. We welcome it and that is why we are co-operating. However, I would like to point out, Mr. Speaker, that while we are moving forward, there are also some fears afoot that, in terms of unemployment insurance, we might again be moving backwards. I am thinking now, Mr. Speaker, of farm workers. Farm workers have fought for a system which would allow them to collect unemployment insurance the way other people can collect unemployment insurance. The Government has moved toward changes in regulations which would actually make it possible for farm workers to collect their unemployment insurance. There were administrative changes. There are groups in the country, Mr. Speaker, financial groups and some farm organizations, which are objecting to the changes which the Government brought in and who are lobbying the Government to backtrack on this move towards a greater equality for farm workers, to make it impossible for them to collect unemployment insurance. Today I call upon the Government to stick to

its guns with regard to having an administrative system which allows farm workers to collect unemployment insurance just like any other worker in this country. I would call upon the Government in this day, when it is making some progress, not to backtrack, whether it is a few months from now, whatever the pressures which come to bear on it.

We welcome this legislation, Mr. Speaker, because of the fact that it removes certain discriminatory clauses which were long overdue for removal. We also want to indicate there is need for more, which is why we wanted to introduce amendments as they affect fishermen and maternity leave. That is why we have called for the extension of unemployment insurance benefits by some 26 weeks and why we welcome the fact that a major Tory leadership candidate has also called for the extension of benefits. We call upon the Government to recognize the fact that it is important to provide income support for people if it is not going to provide them with work, support which allows for the dignity of the individual.

• (1230)

At the same time we once again call upon the Government to make a serious commitment to full employment and, in the process, dedicate a greater share of the cost of unemployment insurance out of general revenue so that it can be borne more equitably and the Government can be reminded of its responsibility to provide work for all Canadians.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I am indeed pleased to rise and take part in this very important debate today, and I want to thank the Parliamentary Secretary to the Minister of Employment and Immigration (Mr. Bujold) for having yielded to me his place in the speaking order.

As my colleague the Hon. Member for St. John's East (Mr. McGrath) has said, the Government's proposed amendments to the Unemployment Insurance Act as they affect maternity benefits are indeed long overdue. I am sure the Minister will recognize that I, among others in this House, have been pressing for these changes not just for weeks or months but for years. I am pleased to see that they are being brought forward. They will have the effect of making maternity benefits more accessible to women in the work force.

But while that is important, equally significant is that these amendments signal a change in attitude. They signal an acceptance of what is already a fact for so many Canadian women, the fact of the permanent presence of women in the paid labour force. More and more Canadian women are in the paid labour foece and they will continue to be for most of their adult lives. The 1981 census statistics indicate that 65 per cent of women under the age of 45 now work outside the home. Even more important and noteworthy is the fact that 45 per cent of women, almost one in two, who have children under the age of three years, were in the paid labour force in 1981. Although the majority of part-time workers are women, three quarters of all women in the paid labour force are working at full-time jobs.

In other words, women are in the work force to stay, yet they will face considerable obstacles, not the least of which is access to the so-called non-traditional jobs. That is, Mr. Speaker, the better paying jobs, the ones that offer more career opportunities than the clerical, sales and service occupations in which women in the labour force continually find themselves heavily concentrated. As was mentioned by my colleague, it is those very categories which are most threatened with obsolescence by the massive high-tech revolution which is sweeping over us.

Women are indeed under-represented in the higher paid jobs, Mr. Speaker. As well, they will continue to be paid less for the so-called women's jobs even though such work may be of equivalent value. That is, in terms of skill, effort, responsibility and working conditions they will still be of lesser value, given the way in which the market operates, when compared with jobs usually performed by men.

Until this situation is changed, women will continue to earn on average about half the salaries earned by men. That has been documented over and over again. Of women working in this country today, 75 per cent receive salaries of less than $12,000, yet women's earnings are essential to the well-being of the Canadian family. The Canadian Council on Welfare estimated in 1981 that if all the women in two-income earning families ceased working if they were to be out of the paid labour force, then the number of Canadian families living below the poverty line would rise by 60 per cent. That shows how critical the income of women is to the maintenance of family support.

That is why income support is so vital during the period when a pregnant woman or a new mother cannot work. Yet our Unemployment Insurance Act as it is presently constituted, before these amendments take effect, contains several barriers which stand between pregnant women in paid jobs and the income support they need for the time they must be off work due to pregnancy.

In addition to meeting the qualifications necessary to obtain regular or sick benefits, that is in addition to a labour force attachment of some 20 weeks, women claiming maternity benefits must also satisfy that "magic ten" rule in Section 30(1) of the Unemployment Insurance Act. This Section seeks to ensure that the women who was in the paid labour force has to be in the labour force at the time she became pregnant. At least ten of her 20 weeks of employment must fall between the thirtieth and fiftieth weeks prior to confinement.

That requirement, Mr. Speaker, has caused untold hardship, confusion and frustration for women who attempt to obtain maternity benefits. Not only does it create inequities which have been mentioned by the Minister and by my colleague from St. John's East, because the date of birth is not always accurately predicted, but it also means, and this is critically important, that a woman who has been in the labour force for any number of years but who happens to be ill or laid off temporarily at the time she becomes pregnant would not qualify for maternity benefits.

If this were not bad enough, Sir, Section 46 of the Act prohibits a pregnant women who is not qualified for maternity benefits from getting any other benefits in the weeks surrounding the birth even though she would otherwise qualify for regular or sick benefits but for her pregnancy. This is the infamous Section 46 which has been referred to as the catch-22 section of the Act as far as pregnant women are concerned. But it will be repealed by the amendments we are considering today.

There are many people who are opposed to changes when it comes to any reference to maternity benefits because they somehow feel that there is going to be a huge extension of payments or a huge addition to the moneys paid out through unemployment insurance benefits. I do not think that such people, when considering the changes to the Unemployment Insurance Act as regards—maternity benefits, fully understand the ludicrous position in which some women find themselves as the result of the Act as it presently stands.

• (1240)

I want to refer to a couple of concrete cases which will perhaps give a better idea of the injustices and absurdities caused by these sections to which I referred, Section 46 and Section 30(1). One such case was that of Stella Bliss. She was unemployed at the time of her confinement. She had worked the necessary 20 weeks to qualify for regular benefits, but she did not satisfy the "magic ten" rule. She was therefore denied maternity benefits.

Shortly after her child was born, however, she was in need of income and therefore sought work again. She was unsuccessful in finding a job. Being unemployed, capable and available for work, and having worked the required 20 weeks, she applied for regular unemployment insurance benefits. She was denied them because she was still within the 15-week period when maternity benefits may be payable, even though she was not receiving them.

Bliss argued that Section 46 was discriminatory since it had the effect of denying her benefits to which she would otherwise be entitled but for her pregnancy. She sought redress under the Canadian Bill of Rights. The Federal Court of Appeal ruled that the Canadian Bill of Rights was not contravened in her case because Bliss was being discriminated against, not because she was a woman, but, rather, because she was a pregnant person.

Some Hon. Members: Oh, oh!

Miss MacDonald: It is really absurd, ridiculous, to think that such a ruling could have been made. The Supreme Court of Canada ruled that the Canadian Bill of Rights did not cover this kind of situation since it prohibited discrimination in the administration of the law only, and not in its content.

Of course, Section 15 of our new Charter of Rights and Freedoms would clearly apply to the discrimination faced by Stella Bliss and others like her. However, the women of Canada cannot yet rely on the Charter, since Section 15, unlike any other provision in the Charter, does not come into effect until April of 1985.

I want to cite another concrete case which will be addressed by these amendments today, the case of Bernadette Stuart. She was a pregnant woman who left employment as a result of acute appendicitis. She was denied any sick benefits because of Section 46 of the Unemployment Insurance Act, which, as I mentioned earlier, denies payment of any benefits other than maternity benefits in the period starting eight weeks before the week of the birth and six weeks after. She was also not entitled to maternity benefits since she did not meet the "magic ten" rule. As a result, she was denied both maternity and sick benefits even though she met all the qualifications for sick benefits. The Federal Court of Appeal ruled that Stuart could not rely on the Charter of Rights and Freedoms since Section 15, which guarantees equality before and under the law, does not come into effect until 1985.

These are two very concrete cases which are both reflected in what will happen today, but which could have been addressed previously had Section 15 of the Charter of Rights and Freedoms been in effect. That is why my colleagues and I have argued time and again in the House of Commons and elsewhere that the Government should act in accordance with the spirit of the Charter of Rights and Freedoms and amend laws which blatantly discriminate against women, rather than waiting for the three-year period to expire and for such cases to be forced to go to the courts. I am glad to see that this is being done in the case of the discriminatory aspects of the Unemployment Insurance Act. However, as the Minister and others know, there are a number of other inequities in our laws which have not been addressed during this period when amendments could very well have been brought in and changes made in the laws.

The Canadian Human Rights Commission has been asking the Government to amend these provisions under the Unemployment Insurance Act since it brought down its annual report in 1979. Women's organizations such as the National Action Committee on the Status of Women, the National Association of Women and the Law, and the Canadian Advisory Council on the Status of Women have repeatedly sought the amendments with which we are dealing today.

In fact, as the Minister will probably remember, on March 7 of this year, an Opposition day, the Progressive Conservative Party directed its attention to women's issues during the International Women's Week. Our motion at that time criticized the Government for its failure to move to grant legal equality in accordance with the Charter. In my speech I specifically referred to the Bliss case and the discriminatory aspects of the Unemployment Insurance Act.

I also want to refer briefly to the important amendment to the Act which my colleagues and I have been seeking through Private Members' Bills, through Question Period and other means, for the last number of years. I am now referring to the amendment which would allow adoptive parents access to maternity benefits on the same basis as natural parents. This,

too, is a long overdue amendment; it was mentioned by my colleague, the Hon. Member for St. John's East, when he spoke earlier today. It has been put forward and argued strenuously by the Hon. Member for Bow River (Mr. Taylor), not only in the House of Commons but also in many other forums where I have heard him present the case for the extension of UI benefits to adoptive parents, and by the Hon. Member for Simcoe North (Mr. Lewis) and a number of others in this Party.

Again, this amendment recognizes the fact that women in the paid labour force need income support for periods when their work is necessarily interrupted, just as working men do. In addition, the amendment recognizes that there is no reason to assume that adoptive parents have any less need for such income replacement than natural parents.

I mentioned at the outset that these amendments are long overdue. I am sure the Minister recognizes that I say, with real sincerity, that I am pleased that he has brought forward these amendments today. We have pressed for these amendments time and time again. I know that the commitment has already been made and that our Party is firmly behind them. The recognition of this commitment is very clear from the fact that our Party has given its agreement to pass the legislation through all stages after only one day of debate.

In terminating my remarks, I would say that these amendments are one step forward, maybe a small step but still an important step, to full acceptance by society of women in all aspects of our paid labour force. This is a move toward the acceptance of women as a permanent factor in the labour force of Canada today. I am glad to see the Minister has finally brought them in.

Mr. Skelly: Mr. Speaker, I would like to address a question to the Conservative speaker, and it follows on the subject of the Bill before us today and the failure, I think, of the Conservative Party to address critically the issue of fishermen's unemployment insurance. It did not appear in the previous Conservative Member's speech.

• (1250)

More importantly, the original attempt this afternoon by the NDP to place an amendment before the House to improve and make more equitable the right of fair access of fishermen to the unemployment insurance legislation was blocked by the Conservative Party, who are prepared to accept the Liberal amendments without question. At the same time the NDP attempt to improve the lot of fishermen was blocked today—

Mr. McGrath: That is a cheap intervention.

Mr. Skelly: —by failing to accept an amendment that would protect fishermen on this important issue. I would be more than pleased to hear any representative of the Conservative Party stand up and justify that.

Miss MacDonald: Mr. Speaker, one thing I have learned over the years is that Members of the New Democratic Party do not understand the code of honour or ethics that exists in this House of Commons. When an agreement is made to debate certain amendments and to put those amendments through in the course of one day, I would anticipate that all Members of the House would honour that agreement. But what I see from the intervention by that Member of the New Democratic Party, who is also the spokesman for his Party, is an attempt to undermine and skewer the passage of these very vital amendments which women in this country have been calling for for many years. What the NDP really want to do now is introduce some amendments and upset the agreement that was arrived at after negotiations between the Parties. If they do nothing else, surely these amendments will have the respect of the women in their Party whom I would at least hope would want to see these amendments go though.

I would also ask the Hon. Member to read the words of the Hon. Member for St. John's East and those of us who have taken part in the committee. We do not consider these amendments to be the only ones ever made to this Act. We have said that there will be ongoing amendments which we will be presenting. We are aware that today is devoted to passing certain critical amendments for which a number of us have been fighting for a long period of time.

Mr. Skelly: Mr. Speaker, I did not want to engender the wrath of the previous speaker. I simply wanted an explanation as to why, given an opportunity not only to do justice for the women of this country in terms of unemployment insurance and adoptive parents, they were prepared to skewer fishermen. All that was required of the Conservative Party was simply to agree with the New Democratic Party that there were appropriate amendments that could be put at this time which would in fact improve the lot of fishermen. They failed to do that. If anyone is being skewered, it is the fishermen as a result of the combined efforts of the Conservative and Liberal Parties. That is what should go on the permanent record of this House.

Mr. McGrath: Mr. Speaker, I rise on a point of order. The hon. gentleman does not seem to understand or want to understand English. The agreement was that we would deal with the Government's amendments at all stages in a one-day debate. The hon. gentleman's Party gave that undertaking. They are now breaking that undertaking for some cheap, shoddy, political act of one-upmanship.

The Acting Speaker (Mr. Corbin): Order. Of course, that was not a point of order; that is contribution to the debate.

Mr. Deans: Mr. Speaker, I want to deal with the matter raised illegitimately through a point of order. In consideration of the day, would the Conservatives not recognize that the agreement that was put forward and ultimately accepted by all Parties was that we would pass the amendments to the Unemployment Insurance Act put forward by the Government during the course of the day? At no time was there any discussion of whether it was possible to put other amendments.

The rules of the House quite clearly allow that if Members of the House wish to put forward amendments, they may do so. It is not a breach of the rules and neither is it a breach of any agreement.

Mr. McGrath: It certainly is.

Mr. Deans: There was no agreement not to place any other amendments. I did the negotiating. There was no agreement. It was not even mentioned.

Mr. McGrath: The agreement concerned the Government side. It is not yours.

Mr. Deans: The Member can sit and babble on all he wishes. I was at the meeting and there was no such agreement.

Mr. McGrath: That is not true.

Mr. Deans: I beg your pardon? I demand that that be withdrawn.

The Acting Speaker (Mr. Corbin): Order. It seems to me that the Hon. Member for Hamilton Mountain (Mr. Deans) was given the floor to put a question or make a comment on the basis of the previous Member's speech. In the opinion of the Chair, however, the Hon. Member departed from the content of the speech made by the Hon. Member for Kingston and the Islands (Miss MacDonald) in order to introduce a totally new matter.

In the Chair's opinion, that is a departure from the understanding of how this question and comment period should be used. If the Hon. Member for Hamilton Mountain wishes to introduce a new element of debate under the guise of a point of order, in the opinion of the Chair that is hardly acceptable under the general agreement as to how the period should be used.

Mr. Deans: Mr. Speaker, I now rise on a point of order. I ask that you require the Member for St. John's East (Mr. McGrath) to withdraw his statement that what I said was untrue.

The Acting Speaker (Mr. Corbin): After consultation with the Table, the Chair should inform the Hon. Member for Hamilton Mountain that the statement made by the Hon. Member for St. John's East is found both in the list of unparliamentary language and in parliamentary language that has been accepted since a certain date.

However, in the Chair's opinion, which of course is the Chair's opinion and nothing else, the statement made by the Hon. Member for St. John's East is not emphatic in the sense that he has made an accusation that the Hon. Member for Hamilton Mountain is—

Mr. Deans: You are getting yourself into a mess. Ask him to withdraw it.

Mr. Dionne (Northumberland-Miramichi): Stop challenging the Chair.

The Acting Speaker (Mr. Corbin): If the Hon. Member for Hamilton Mountain would let me complete my remarks, for an Hon. Member to say that an Hon. Member is not saying the truth is not necessarily the equivalent of saying he is liar. That is the Chair's understanding of previous decisions by other occupants of the chair.

If it pleases the Hon. Member for Hamilton Mountain, I shall give an opportunity to the Hon. Member for St. John's East to clarify his statement if that may be helpful.

Mr. McGrath: In order to get on with it, I am surprised the Hon. Member is so hypersensitive. What I said was not unparliamentary but I will withdraw it and I will tell the Hon. Member that he is guilty of a gross terminological inexactitude.

Mr. Deans: Mr. Speaker, on a point of order, I will not accept the substitution of other words to achieve the same end. Surely that is unacceptable by the Chair. Surely the Chair either requires that the statement be withdrawn or he names the Member.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I rise on a point of order. Obviously what the Hon. Member for St. John's East (Mr. McGrath) said as an interjection is not unparliamentary. You have expressed your view in that regard. Therefore the Hon. Member for Hamilton Mountain (Mr. Deans) has no right to get up and demand that you order the Member to withdraw his remarks.

Mr. Deans: That is a lie.

Mr. McGrath: That is unparliamentary.

Mr. Deans: That is unparliamentary too, I will tell you. But that is a lie. Page 110 of Beauchesne clearly states that you may not use the term "untrue". Read your book. Now you have yourself in a mess.

• (1300)

The Acting Speaker (Mr. Corbin): Order, please. It is the Chair's duty to try to reconcile different points of view arising in the House, taking into account the circumstances in which they occur. The Chair earlier based a decision on precedents that certain words—

Mr. Deans: Pages 110, 112 and 113. Take a look.

The Acting Speaker (Mr. Corbin): —are to be found in both lists of parliamentary or unparliamentary language in Beauchesne. I can refer Hon. Members to page 113 and the use of the word "untrue". It is to be found as well on page 110.

Mr. Deans: Meaning what? Those are unparliamentary words.

The Acting Speaker (Mr. Corbin): It is in both lists and previous occupants of the Chair have ruled on a number of occasions that words found in both lists are not deemed to be unparliamentary language. That was the Chair's earlier ruling. The Chair does not intend to go back on that ruling.

Mr. Dionne (Northumberland-Miramichi): I rise on a point of order, Mr. Speaker.

S.O. 21

The Acting Speaker (Mr. Corbin): I am in the hands of the House. I will recognize the Hon. Member for Northumberland-Miramichi (Mr. Dionne).

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, it is patently obvious that to accuse one Member of deliberately having lied, as the Hon. Member for Hamilton Mountain just did in my case, having said that what I said was a lie—

Mr. Deans: It was.

Mr. Dionne (Northumberland-Miramichi): —is unparliamentary and I want the remark withdrawn.

The Acting Speaker (Mr. Corbin): The Hon. Member for Hamilton Mountain has heard the comments of the Hon. Member for Northumberland-Miramichi. The language used by the Hon. Member is obviously unparliamentary and I would plead with him to reword or rephrase his thoughts. He possibly went beyond what he really meant.

Mr. Deans: No, Mr. Speaker. I considered it a lie but I will say it was untrue.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

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

At 1:03 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

FISHERIES

REOPENING OF PLANTS IN GASPÉ REGION OF QUEBEC DUE TO FEDERAL GOVERNMENT INTERVENTION

Mr. Alexandre Cyr (Gaspé): Madam Speaker, I would like to comment on the fisheries industry in Quebec and on the resumption of operations in four Pêcheurs-Unis du Québec plants in the Gaspé.

In March 1982, the directors of Pêcheurs-Unis du Québec submitted a preliminary plan to the Government of Quebec for restructuring the Fédération coopérative des pêcheurs.

Minister Jean Garon and the PQ Government failed to take any action. In December 1982, fishermen from the Gaspé, the Lower North Shore and the Magdalen Islands established solidarity committees in order to seek the support of Quebecers for government intervention.

Since the Quebec Minister of Agriculture, Fisheries and Food indulged in petty politics instead of letting fishermen and plant employees go back to work at the beginning of the fishing season, the Government of Canada intervened, in the person of the Hon. Pierre De Bané.

I am very pleased to be able to inform the House today that as of June 1, 1983, plants in Newport, Rivière-au-Renard, Saint-Maurice de l'Échouerie and Cloridorme, all in the Gaspé, have resumed operations. In all, 350 fishermen have gone back to sea and, with the fish they catch, are providing employment for 800 workers in the processing plants. Without the intervention of the Government of Canada, the Gaspé plants would still be closed as they are in the Magdalen Islands today.

* * *

[*English*]

AGRICULTURE

SUPPORT EXPRESSED FOR FARM MARKETING BOARDS

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, there is no question that farm marketing boards have proved their importance to consumers because they provide a stable supply of food at reasonable prices. Marketing boards were created because the free marketing of farm products proved unworkable in reality. Because farmers had very little bargaining power, they were always at the mercy of buyers and food corporations, which invariably resulted in unrealistic low prices for their produce. This in turn resulted in financial instability which drove many farmers, if not out of business, close to the poverty line.

In spite of what some special interest groups would like us to believe, marketing boards do not create scarcities or inefficiencies and do not provide excess profits. What they do is stabilize production and income on the farm, the vital factor needed to give consumers a regular supply of food at reasonable prices. This has resulted in Canadian consumers spending only 17 per cent of disposable income on food, the lowest of any country except the United States.

If farmers lose the protection of marketing boards, the result will be a widely fluctuating supply of food with prices that will have no relation to actual costs of production, and where the middle man will guard his profits by passing the pressure on to the producer or farmer. It would be a regressive step if this were ever allowed to happen.

POLITICAL PARTIES

POLICIES OF PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP CANDIDATE

Mr. D. M. Collenette (York East): Madam Speaker, in today's *Globe and Mail* the Hon. Member for St. John's West (Mr. Crosbie) gives us some interesting insights into his policies should he become Leader of the PC Party. While trying to co-opt the forces of the right, he tempers this by advocating governance from the centre. After titillating the right with Reaganomics-Crosbie style, he now talks of accepting a federal deficit which he admits is largely attributable to the very generous, humane, and compassionate policies of the Liberal Party. In accepting the deficit, he sounds vaguely like another well-known Progressive Conservative who, a few years ago, reversed his previously hardened attitude on Government spending and talked in terms of a stimulative deficit. In fact, I quote the story:

> As a finance Minister whose 1979 budget promised to halve the deficit in four years, he argues that the only way to reduce the deficit is to hold Government spending down to the rate of inflation, resist the temptation to launch costly new programs, cut where possible and shoot for economic growth. "If you could do what I'm saying, it will be a very great victory".

Well, Madam Speaker, this just happens to be the very enlightened policy being followed by the Liberal Government over the last few years. Furthermore, after going down the dead end of advocating a policy of free trade with the United States, he now apparently embraces the Foreign Investment Review Agency because, as he admits in the article, Canadians basically support the concept of FIRA, which ensures that, to be accepted, proposed foreign takeovers must show a significant benefit to Canada.

One is left perplexed by the Hon. Member for St. John' West. Is he really supporting sound Liberal policies which have steered Canada well through the tough economic recession? If so, why is he running for the leadership of a Party whose policies he obviously rejects? Or, is one to believe that the Hon. Member for St. John's West realizes that victory is not within his grasp and he is laying the ground work for his return to the Liberal fold?

Madam Speaker: Order.

* * *

NATIONAL PARKS

BANFF LAND EXCHANGE DEVELOPMENT PROJECT—OFFICIAL'S STATEMENT

Mr. Gordon Taylor (Bow River): Madam Speaker, a well known maxim is that if you tell a lie often enough, people will believe it. Once again a high official in Parks Canada was quoted in *The Globe and Mail* of May 27 as saying, "There are no admissions that anyone was doing anything wrong" in allowing Mr. Buchanan and his partners to begin work on the project.

Nothing wrong in destroying a beautiful park and replacing it with an apartment building? Nothing wrong with rushing the project through? Nothing wrong with ignoring and waiving the normal requirements for offstreet parking that all other applicants had to follow? Nothing wrong with swapping public lands worth $1,300,000 for land worth $600,000?

Now hear this: Parks Canada officials have agreed not to bend the rules again like they did to allow the Buchanan apartment building to desecrate a beautiful park, and that in all future developments the park officials must follow the proper procedures. If the park officials think this late confession will wash away all of the guilt of the Judd Buchanan deal, they should realize that every time anyone looks at the apartment buildings now located where the park once graced the town of Banff, they will be reminded of the bending of the rules to accommodate an ex-Liberal Cabinet Minister.

This under the table deal will forever remain a blight on Parks Canada and on the Minister of the Environment (Mr. Roberts) who permitted it, if indeed he did not order it.

* * *

BANKS AND BANKING

INFORMATION SOUGHT ON FOREIGN OPERATIONS OF CHARTERED BANKS

Mr. David Orlikow (Winnipeg North): Madam Speaker, recently the Ontario Securities Commission ordered that several Canadian chartered banks disclose information on their extensive foreign operations. It is one of the first times in Canada that the big banks have been forced to divulge such information. Usually we obtain this information through the United States Securities and Exchange Commission.

In the United States all companies that trade shares are required to report details of financial operations, executive salaries and compensation, and affiliations, to the Commission. If many of our largest corporations did not trade shares in the United States, we might never find out this information. This is a disgraceful situation.

The five big Canadian chartered banks control over $348 billion in assets and enjoy a federal charter which allows them a virtual monopoly of banking in Canada. They are extremely powerful and are controlled by a relatively small group of individuals who also sit on the boards of many major corporations. Thus, linked by interlocking directorships, the banks make decisions which affect our economic life.

It is disgraceful that we should be required to wait for information from the United States to find out what our banks are up to. Canadians have a right to know what bank executives are paid, what investments the banks are involved in overseas, and the extent of the non-productive loans the banks carry. Canadian legislation should require that the banks make such information available.

S.O. 21

SOCIAL AFFAIRS

PLIGHT OF "BAG LADIES"

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, a new expression has been coined by the media, "bag ladies". This is not to be confused with the image implied by the political term "bag men". The so-called bag ladies are single, transient women whose total worldly possessions are contained in a bag they carry, hence the name. They rely on drop-in centres for sustenance, and depend upon hostels for a night's shelter. They are more numerous in large communities but are present in small cities as well.

Over 60 per cent of these bag ladies are ex-psychiatric patients suffering from chronic mental illness. This calls into question the effectiveness of provincial psychiatric release and follow-up programs.

• (1410)

The remainder are women who become homeless because of a variety of destabilizing social reasons. These ladies are street-wise, unemployed, and very often depressed. Most of them have experienced some form of violence, either in childhood or in early adulthood.

Hostel centres, such as the Brothers of the Good Shepherd Women's Centre in Hamilton, fulfil short-term needs for these women. What is required for long-term help for these unfortunate women is the provision of more supervised boarding homes, more halfway houses and community support systems, as well as greater participation on a voluntary basis by established women's organizations. I hope that all levels of Government as well as non-profit organizations will explore what avenues are open to help these ladies.

* * *

INCOME TAX

BOARD RULING IN FAVOUR OF HANDICAPPED

Mr. Scott Fennell (Ontario): Madam Speaker, a landmark decision has been made by the Income Tax Appeal that will assist the handicapped of the country in spite of Government inaction. Yesterday, Mr. D. E. Taylor, Chairman of the Tax Appeal Board, ruled that disabled people do not have to be confined to a conventional wheelchair to qualify for the $2,100 disability deduction. This decision overturns a ruling which openly discriminates against handicapped people who contribute to society through their taxes rather than being dependent on society to keep them.

The person who has been successful in challenging the Tax Appeal Board is Mr. Michael Overdyk of Pickering, Ontario. I congratulate both Mr. Overdyk, for his courageous and relentless efforts and appeals, and Mr. D. E. Taylor for making a fair and enlightened decision which, though long overdue, will go far in correcting the obstacles faced by disabled persons, particularly those who are able to help themselves.

POLITICAL PARTIES

CROWSNEST PASS RATE—STATEMENTS BY P.C. LEADERSHIP CANDIDATES

Mr. Les Benjamin (Regina West): Madam Speaker, the Progressive Conservative leadership candidates agree that the Crow rate should be changed and that grain farmers should pay more. The Hon. Member for St. John's West (Mr. Crosbie) says that the farmers' share of the cost has to increase. The Hon. Member for Etobicoke Centre (Mr. Wilson) says that the revised Bill is "a move in the right direction". Montreal businessman Brian Mulroney agrees that the Government is "going in the right direction". The Hon. Member for Yellowhead (Mr. Clark), who has only been here 11 or 12 years, says that he has not had time for a detailed study of the issue. Edmonton millionaire and barefoot boy, Peter Pocklington, says that the Crow rate is obsolete and should be abolished, and the Hon. Member for Rosedale (Mr. Crombie) wants changes in the Bill but agrees that grain producers should pay more.

If the leadership candidates for the Progressive Conservative Party agree that the Crow rate should be changed and the farmers should pay more, and that the Government is going in the right direction, will those leadership candidates tell all of us in which direction they would steer the Conservative Party on the issue of the Crow rate?

* * *

[*Translation*]

FISHERIES

NECESSITY FOR MAGDALEN ISLANDS FISHERMEN TO RETURN TO WORK

Mr. Rémi Bujold (Bonaventure-Îles-de-la-Madeleine): Madam Speaker, I wish to express to the House my indignation concerning the situation now prevailing in the Magdalen Islands. For more than a month, the PQ Government of Quebec has been holding people hostage in this part of my riding. A month ago, the federal Minister of Fisheries and Oceans made a proposal to the Quebec Government for reopening the fish processing plant which is a vital part of the economy of the Islands. The Quebec Government never gave any indication of any desire to help reopen the plant. Two weeks later, the Minister of Fisheries and Oceans made two major concessions to the Quebec Government that were in the interests of the fishermen and the people of the Islands, and once again, the PQ Government refused the federal offer. As recently as last Saturday, the Minister of Fisheries and Oceans tried again and submitted another proposal to the Quebec Government, saying that he was prepared to issue fishing permits to the Association des pêcheurs hauturiers, thus authorizing them to go to sea and harvest the fish, and once again, the PQ Government refused to co-operate in settling this case.

Consequently, Madam Speaker, I believe the Government should consider the interests of the people and the fishermen,

set aside its political ideology and enable workers and fishermen on the Islands to go back to work so that plant workers as well will be able to do the work they normally do at this time of the year.

ORAL QUESTION PERIOD

[*English*]

THE ADMINISTRATION

USE OF GOVERNMENT PLANES BY MINISTER OF STATE (INTERNATIONAL TRADE)

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the Minister of Transport. As the Minister will know, last evening on the CBC national news it was revealed that the Minister for International Trade made extensive use of the Government JetStars during 1981. On 60 per cent of those trips, the Minister, his family, and relatives, rode for free. I would ask the Minister of Transport what the Liberal policy is with respect to free rides for family members on Government JetStars.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, Department of Transport planes are made available to members of the Cabinet who travel on Government business. The Minister's department is charged on the basis of the plane operational cost. In other words, the number of people on board the plane does not affect the cost.

I was also on TV yesterday trying to explain that, because of the heavy load on members of Cabinet, which everybody will recognize, travelling affords Cabinet Ministers one of the few opportunities they have to be with their wives and children. I argued this case, and I was promptly chastised by my own wife for not practising what I was preaching.

I have said all of this to indicate that Members of Cabinet use these planes on the honour system. They use them when travelling on Government business, and I tried to explain that having one passenger, or two or three, on board the plane does not make a real difference to what is being charged to the country.

AVAILABILITY OF COMMERCIAL FLIGHTS

Mr. Doug Lewis (Simcoe North): Madam Speaker, I direct my supplementary question to the Minister of Transport. What effort is made by Transport Canada to check the availability of regular commercial flights, such as those from Ottawa to Calgary? If the Minister were to take a regular commercial flight, it would save the Government some $1,150 per hour. What effort is made by the Government to check the availability of commercial flights before the free rides take over?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I repeat that the Ministers operate on an honour system, and I do not ask every Minister on each occasion if they could have used some other facility of a commercial nature. The guidelines are available for everybody to read. By way of illustration, the guidelines say:

—in the following circumstances:

(a) when a flight is being made to a point where there is no commercial air service; where no space is available ... where ... substantial savings of essential time can be made by using departmental aircraft—

Time is a very important consideration. Using myself as an example, very often in the last year and a half I have travelled west on Crow business and, because of the Government airplane, I have had the opportunity to do in one day or half a day what I would not have been able to do in three days using commercial airplanes. This illustrates the phrase "savings of essential time".

I believe that the population as a whole does recognize this. They generally request Cabinet Ministers to be present for many kinds of occasions, for personal negotiations as well as social events, and consequently using the Government airplane is the only way that we can fulfil those requests.

Mr. Lewis: Madam Speaker, we are not very impressed with the Minister's use of the phrase "honour system", because the Government abandoned the honour system a long time ago.

• (1420)

COST OF FLIGHT FROM OTTAWA TO CALGARY

Mr. Doug Lewis (Simcoe North): Madam Speaker, I would like to ask the Minister specifically about what transpired on April 16, 1981, when the Minister of International Trade flew from Ottawa to Calgary with his wife and three children, even though regular commercial service was available. That trip cost the taxpayers of Canada $10,000. How much advance notice was Transport Canada given of the Minister's requirement for a JetStar for his family on that occasion?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, to be able to answer that question fairly, I would have to know about all of the circumstances, and I do not. But I do know that I went to Calgary at about the same time, but I also went to Edmonton and to Regina at the same time. It all depends on the circumstances, and I referred to savings of essential time as one of the criteria that would be helpful to consider when making a judgment on any decision to use a JetStar. Be that as it may, I do not answer for each of the Ministers singly. Each one of them has to justify the flight of a Minister to the public, in general, and follow the guidelines. Each one of them has to send me a letter in which he says, and I quote:

I (or my Minister)—

If it is the Executive Assistant.

—request the use of this aircraft fully cognizant of the guidelines established by the Department of Transport, consistent with the Government's commitment to restraint and the Prime Minister's code of conduct as applied to Ministers of the Crown.

He must sign that, and then it is his responsibility to justify and answer questions of the type which has just been posed.

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CANADIAN NATIONAL RAILWAYS

INVESTMENT IN CAST SHIPPING GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, the Minister, and other Hon. Members on the Government side, seem to miss the objective we are seeking over here, and that is to restore some honour and integrity to the actions of the Government.

Some Hon. Members: Oh, oh!

Mr. Forrestall: And in this regard, to avoid the boondoggling as much as possible with respect to Canadian National Railways' further investment of Canadian taxpayers' dollars in Cast, and to avoid what we are learning more and more about every day the fiasco with the Challenger, with Canadair, the $1.5 billion—

Madam Speaker: Order, please. Order, please. Does the Hon. Member have a question?

Mr. Forrestall: Yes, my dear, I sure and definitely do—

Madam Speaker: Do not call me "my dear". Call me "Madam Speaker".

Some Hon. Members: Hear, hear!

Mr. Forrestall: Madam Speaker, I sure as hell do.

The Minister of Transport will be aware that the Standing Committee has deferred, until such time as negotiations between CN and the Cast group are completed, any further hearings with respect to their annual report. Might I ask the Minister very specifically, with respect to the decision now in front of Cabinet to be taken with respect to further investment, whether the Minister would not give an undertaking to consult and advise his Cabinet colleagues on the special committee not to take a decision until such time as, first, the Standing Committee has completed its examination of CN's annual report, and, second, until the hearing under the Combines Investigation Act with respect to rebates west of Montreal is completed. That is the only way whereby affected interests can participate, that no decision be taken until the Canadian Transport Commission winds up its full hearings on Cast-CN sometime in September or the early Fall.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, a decision has not been made, so, consequently, my colleagues in the Cabinet, having listened to the question, can decide to take the factors mentioned into consideration. At least some of them have already been taken into consideration. However, I can only say that the merger of Cast and CN is a commercial deal. If one waits until one goes to the CTC to get an authorization of some kind, one may wait a long time, first of all because it takes time to make the decision and, second, it can be appealed, and so on. This is a commercial deal and, really, one cannot stop the world to get on or off depending on approval of regulatory bodies. The practice in the past has been that the CTC approval is a post facto event. Therefore, I do not see really why we should stop the world in order to accommodate the question which was raised.

TIMING OF CABINET DECISION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, would the Minister not concede that there at least has to be something strange about Cabinet giving approval to one of its principal Crown Corporations to proceed into a questionable private adventure at the very exact point in time when that principal Crown Corporation is under investigation, under the Combines Investigation Act?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I did get some advice from the Minister of Consumer Affairs on the subject and I was informed by him that the inquiry under the Combines Investigation Act now taking place has nothing to do with the circumstances, with the factors, conditions, et cetera, of a possible merger between CN and Cast. I took that precaution before giving the okay to the finalization of the negotiations between the two parties.

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NUCLEAR ENERGY

TRANSPORTATION AND STORAGE OF ONTARIO HYDRO NUCLEAR WASTES

Mr. Dan Heap (Spadina): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. As the Minister knows, Ontario Hydro has stored millions of gallons of radioactive water at Pickering as part of the waste from its atomic energy reactor, part of the disastrous nuclear power program which has placed Ontario Hydro and the people of Ontario into $16 billion of debt.

As the Minister also knows, Ontario Hydro has recently announced that, in order to cut out the cost of a treatment plant, which it promised after some of this radioactive water leaked into Lake Ontario four years ago, it will transport this dangerous radioactive poison, in the equivalent of a truckload every second day, through Ajax, Whitby, and Oshawa, to Port Darlington. Will the Minister, the toothless watchdog of the Atomic Energy Control Board, today give this House a commitment to stop Ontario Hydro from endangering present and future generations of Canadians, and to provide the money necessary to treat nuclear waste safely?

[*Translation*]

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, government directives have been issued regarding safety procedures for these materials, and Hydro Ontario is obliged to follow them. We intend to ensure

that the regulations concerning the disposal of nuclear waste are observed, in this case as in any other.

[*English*]

REQUEST FOR INVESTIGATION OF NUCLEAR ENERGY COSTS

Mr. Dan Heap (Spadina): Madam Speaker, since the Minister has not seriously answered the question, I would like to ask him a further question. Since he seems willing to risk the safety of millions of Canadians, not only with radioactive water but with radioactive spent nuclear fuel and radioactive mine tailings, will he now tell us the true total cost of the Government's nuclear power program, including the cost of waste treatment? If he does not know the answer to that, will he at last heed the call of church leaders, union officers, and community spokespersons, by establishing a public inquiry into the risks and costs of the whole nuclear production cycle from mining to waste disposal?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, to answer the question in terms of the cost, I cannot give the Hon. Member that answer because he did not give me any notice. I will certainly look into it. If he would ask his question in a proper fashion, it would be put on the Order Paper and we would reply to it.

In terms of the inquiry, there were many inquiries on that subject, and I do feel that the performance of the Canadian nuclear atomic energy industry has been probably the safest in the world. We have never encountered any serious accident in Canada. We have developed a very good safe system, the Candu reactor. We have some mines which operate in the uranium fields, and so on. There is in Canada a nuclear energy policy which is one of the best in the world, and I am not ashamed of it.

TRANSPORTATION REGULATIONS

Mr. Dan Heap (Spadina): Madam Speaker, my further supplementary question is directed to the Minister of Transport. Three years ago in July, Parliament passed the Minister's Bill on the transportation of dangerous goods, but the Minister has not yet put any of the regulations under the Bill into force. Will he therefore tell this House today when he will put these regulations into force, and whether these regulations will control the transportation by Ontario Hydro of dangerous nuclear wastes, so as to protect the people of Canada from danger to life and health through irresponsible cost cutting by provincial and federal Governments?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the value and beauty of the Transportation of Dangerous Goods Act which the House passed two years ago is that it is all-encompassing. It covers federal and provincial jurisdictions alike, which is an innovation in the federal system in Canada—a very good one, I feel. Indeed, we have had difficulties in producing the regulations. We are still working at it. The difficulties are many, one of which is that we are trying to reconcile in this set of regulations the development of this matter in the world today, in Canada-U.S. trade relationships, and so on. It is very, very complex. Drafting is done in full consultation with industry. Progress is being made. Already Unit 1 of these regulations has been gazetted. Units 2 and 3 are coming. I recognize that my Department is late on this subject and I beg indulgence in view of the size, the magnitude, and complexity of the task.

* * *

• (1430)

RAILWAYS

WINNIPEG OVERPASS PROJECT—NECESSITY FOR FUNDING

Mr. Robert Bockstael (St. Boniface): Madam Speaker, my question is directed to the Minister of Transport. The City of Winnipeg has deferred the reconstruction of the Salter Street bridge over the CPR yards in Winnipeg to the point that delay can no longer be tolerated. The Canadian Transport Commission will not issue a board order for the reconstruction of this overpass until it receives proof that the funds required are secured.

Since the UTAP funds are now exhausted, can the Minister tell us if the Government will soon be in a position to guarantee federal assistance for major grade separations of this nature under a successor program to the Urban Transit Assistance Program?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I remember reading that this is a good project that normally would have been approved. As everybody knows, however, UTAP is coming to an end in March, 1984, and at the moment all funds have been assigned. There is the question of whether there will be what friends of mine refer to as "Son of UTAP". The answer is that a paper is before Cabinet at this time. Consequently, if there is a son of UTAP, and if priority decisions are left to the Provinces, and if the Province of Manitoba decides that this is still a good project, then it will be done, but there may be some change in the legislation that the Government may approve.

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LABOUR RELATIONS

GRAIN HANDLERS DISPUTE

Hon. Don Mazankowski (Vegreville): Madam Speaker, I would like to direct my question to the Acting Minister of Labour. Having regard to the fact that negotiations have broken down between elevator terminal operators and the grain handlers, is the Government going to continue its hands-off policy, or is it going to show leadership, exercise its responsibility, and bring the parties together? Will it appoint a conciliation commissioner or a conciliation board? I ask this in view of the fact that the core of the problem is found in the policies of the Government. What action is the Government going to take?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, we regret very much that both parties to this particular dispute have not shown any sign of compromise or of trying to reach agreement. It is particularly regrettable that they have now broken off all discussion.

I want to point out to the Hon. Member that the right of collective bargaining is an essential right in the whole area of labour-market development. With that right there comes a responsibility to the parties to the collective bargaining. It is very clear in this case that labour and management must exercise their responsibility, not only to themselves but to the public interest. They should get back to the table and bargain for an agreement between themselves as collective bargaining requires them to do.

GOVERNMENT POSITION

Hon. Don Mazankowski (Vegreville): Madam Speaker, my supplementary question is for the same Minister. Since this imminent strike or lockout comes at a very critical time, the crop year end, and having regard to the fact that there was a disruption of a shipment of one million tonnes caused by a strike last Fall, is the Minister saying that he is going to allow a strike or lockout to occur before any action is taken? Why will the Government not take its responsibility and ensure that grain moves in an orderly manner and without disruption?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I am not sure that the policy of the Hon. Member's Party is because it is difficult to determine its policy on anything these days. Our policy is very clear. For years we have believed in collective bargaining as the basic means by which we arrive at solutions to labour disputes. We also believe that in order to ensure the trust of collective bargaining we must put the onus on the parties to the dispute to arrive at settlements and to take into account that the full right of the public interest must be served. Of course we want a settlement, and of course we do not want disruption. We believe that the parties to the conflict must get back to the table and bargain in good faith.

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EXTERNAL AFFAIRS

NUCLEAR TECHNOLOGY—POSSIBLE EXCHANGES BETWEEN ARGENTINA AND LIBYA

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is for the Secretary of State for External Affairs. The Minister will know that Argentina is negotiating with Libya for the sale of nuclear technology. He will also know that Canada has recently completed co-operating with Argentina in the establishment of a Candu reactor system and that the system was just inaugurated. Is the Minister aware of the negotiations between Argentina and Libya, and is aware that Libya has attempted to procure nuclear weapons technology from China?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I have been made aware of comments allegedly made by a representative of the Argentinian authorities about possible discussions with Libya but I have not received any authoritative information from the Argentinian Government that would lead me to invoke the provisions of the agreement we have with Argentina with respect to the nuclear facilities in that country which are of Canadian origin.

RELATIONS WITH ARGENTINA

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, I have a supplementary question. The head of the Argentinian Atomic Agency was quoted at the opening of the Candu reactor as saying that this negotiation was under way and was being undertaken. I think that report is something that should concern the Minister and that he should follow it up.

In view of the current test of the reliability of Argentina, and in view of the fact that as a country we have not been able to secure that additional safeguard treaty that we feel is important, will Canada continue to carry on business as usual with Argentina? Will the Minister take any specific action to ensure that Canada will not contribute to the proliferation of nuclear weapons?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member refers to statements that have been made by the authorities in Argentina. My information is that a reference was made to the possibility of supplying medical isotopes to Libya and that they may consider the possibility of entering into a nuclear agreement with Libya. I do not think that constitutes a basis for invoking the agreement we have with Argentina with respect to the retransfer of nuclear technology.

* * *

INDUSTRY

LAKE ONTARIO STEEL COMPANY CAPACITY

Mr. Scott Fennell (Ontario): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. As he knows, the steel industry in Canada is in a pretty chaotic state compared even to some segments of the United States. In my riding, Lake Ontario Steel Company Limited has been operating at 30 per cent capacity and recently increased that to 40 per cent capacity because the inventory depletion.

In view of the fact that the two associated plants of Lake Ontario Steel in New Jersey and in Dallas are working at 100 per cent capacity, and the plant in Whitby is working at 40 per cent capacity, with 400 people unemployed, what action is the Government taking in order to give some security to the steel industry and getting employees back to work?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion):

Madam Speaker, first of all the cyclical problem that the Canadian industry is experiencing is no different from that of other industrialized countries. As a matter of fact our steel industry happens to be in better shape than nearly all the industrialized nations of the world. That is mainly because of the capital cost allowances which the federal Government has offered over the past 15 years.

As a matter of fact, Madam Speaker, when the Reagan administration came into power, one of the areas they wanted to look at was the capital cost allowance that the Canadian Liberal Government had introduced, because they wanted to adopt similar measures to ensure that their steel companies were operating at maximum capacity utilization.

* * *

MINES AND MINING

IMPACT OF STEEL IMPORTS

Mr. John A. MacDougall (Timiskaming): Madam Speaker, my question is for the Prime Minister. My first question in the House on October 27 last was addressed to the Minister of State for mines when I urged her to look into the iron and steel industries in this country, particularly the Adams Mine in Kirkland Lake which was facing a three-month shutdown. The same problem is occurring today. Imported steel is being dumped in Canada. What is the Prime Minister going to do to help thousands of Canadians get back to work in order to get our steel industry going?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, the problem is over-production of iron ore. I am sure the Hon. Member is very much aware of that situation. I must add that I believe that people in his area are being called back to work. It has one of the better mines in Canada.

* * *

• (1440)

FORESTRY

FOREST FIRES IN BRITISH COLUMBIA

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, my question is directed to the Minister of the Environment who is responsible for the Canadian Forestry Service. He will be aware that British Columbia is experiencing the most disastrous forest fire season in decades. The Province this year has already lost some 45,000 hectares of forest land, which is a record loss of about 80 per cent above average. Has the Minister received any request for assistance from the Province of British Columbia? On the other hand, has he, or have his officials, made any offers of assistance to the Province to help meet this threat?

Hon. John Roberts (Minister of the Environment): Madam Speaker, the situation is being monitored through the Winnipeg Inter-Agency Fire Centre. I am told that British Columbia has not, at least as yet, requested any aid from the Fire Centre. However, the Centre has identified possible sources of aid in Canada and the U.S. in case such a request is forthcoming.

INVESTIGATION OF POSSIBLE ARSON

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, in the Hudson Hope area, one of the three major areas in British Columbia currently being consumed by fire, we understand the RCMP are conducting a number of investigations into what they view as possible arson being responsible for a number of fires in that area. Is the Minister aware of how those investigations are proceeding? And, while he is at it, on a related matter can he tell me what the response from British Columbia has been to the offer in the federal budget of two new Canadair water bombers for the price of one?

Hon. John Roberts (Minister of the Environment): Madam Speaker, on the first part of the question, no, I do not have at hand knowledge of any investigation being undertaken by the Royal Canadian Mounted Police. As to the second question, I will be meeting with the British Columbia Minister to discuss that matter, among others, I think in the next week or so. I do not have the date immediately at hand, but we have had a request for a meeting and it will be taking place very shortly.

* * *

NEW EMPLOYMENT EXPANSION AND DEVELOPMENT PROGRAM

EFFECT ON TERM EMPLOYEES AT CANADIAN FORCES BASE BORDEN

Mr. Ron Stewart (Simcoe South): Madam Speaker, my question is directed to the Minister of Employment. In light of the recent conversation between his office and my office concerning the term employees who have not been called back to work at Canadian Forces Base Borden, the fact that their jobs have been filled by people on welfare, and that these welfare recipients in many cases would not report to work for these jobs, would the Minister now admit to the House that his so called job creation program as far as National Defence bases are concerned is really a job replacement program?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I am very pleased that the Hon. Member is in conversation with our Department. I am glad he is in conversation with somebody about the program. It is unfortunate that he has not learned more about the program and the fact that we have now approved some 50,000 jobs across Canada. This is not for people who are simply on welfare, but in fact for those who have exhausted unemployment insurance benefits and therefore have not only lost their jobs but also their incomes. That is one reason why they were given some priority. Not only do they face by far the most serious and drastic circumstances, but they have also lost the protection and security of the Unemployment Insurance Act.

As far as a specific case on a DND base is concerned, we have stated in this House many times that it is not a job replacement program. In the circumstances where it was, the Minister of National Defence has indicated that those were term contracts coming to an end in any event. If there were any attempt to overlay those, we would bring them forward for review. We are presently doing that with the Minister of National Defence but we have not been able to determine whether there are actual cases of that kind.

* * *

SMALL BUSINESS

REQUEST FOR TAX INCENTIVE TO CREATE EMPLOYMENT

Mr. Otto Jelinek (Halton): Madam Speaker, a broad rule of thumb used by Government officials to estimate the number of full-time jobs provided by capital intensive projects is one job for every $100,000 spent. Other non-capital intensive but temporary make work projects of course are less costly but are mostly non-productive.

My question is directed to the Minister of State for Small Business. Since small business is by far the largest and most productive potential employer in Canada and is not able to benefit from all the phony and costly temporary make work projects, would the Minister consider initiating or supporting employment tax incentives against unemployment insurance premiums for easier and more extensive hiring by the small business sector, thereby providing more jobs and, more important, more productive jobs?

Hon. William Rompkey (Minister of State (Small Businesses and Tourism)): Madam Speaker, we are always prepared to consider other initiatives which would help small business, but I have to point out to the Hon. Member that the recent budget of the Minister of Finance is clearly a budget for small business. It is quite clear that the Minister listened to the small business community and responded extremely well. I want to congratulate him on the way he has done that.

When I look at the carry-over and carry-back provisions for capital losses and look at the R and D incentives, when I look at the capital projects going ahead all across the country which will provide a lot of work for small business contractors, and when I look at the housing initiatives that will do the same thing, there are a lot of initiatives there for small-businessmen. Of course if the Member does not believe me, he should listen to the spokesmen for the small business community who, I think, are saying the same thing.

* * *

IMMIGRATION

POSITION OF ILLEGAL IMMIGRANTS

Hon. Bud Cullen (Sarnia-Lambton): Madam Speaker, I have a question for the Minister of Employment and Immigration. The press has reported the Minister as indicating to the annual meeting of the Calgary Immigrant Aid Society that "there would definitely be no amnesty declared for illegal aliens". Is that in fact the case? Has the Minister made his decision?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, as the Hon. Member knows, we have a special review going on concerning the whole question of illegal immigration. I indicated at that meeting in Calgary that a general amnesty is not a solution to that problem. In fact it would simply provide a perpetuation of the problem by bringing in another wave of illegals. But I want to report to the House, Madam Speaker, and I intend to table the report of that special review in front of the Committee of Labour Manpower and Immigration at the end of June, at which time we will outline the recommendations to deal with the serious problem of illegal immigration.

* * *

ENERGY

INCENTIVES FOR OIL SANDS PROJECTS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is for the Minister of Energy, Mines and Resources who will know that the development of the oil sands creates thousands of jobs in virtually every sector of the Canadian economy, particularly in central Canada. He will also know that had the same deal been given to Alsands or Shell as was given to BP at Wolf Lake, we would now have an Alsands project going. In the spirit of creating jobs and putting Canadians back to work, is the Minister presently dealing with Shell Oil or Syncrude to see if they can be given the same deal so that they will develop the oil sands in the same way as at Wolf Lake?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, we are discussing some projects with some sectors of the petroleum industry. I am not at liberty to name the companies. There are some projects being debated at this time. Of course one of the problems is that many of the projects in the past were based on an ever-increasing international price for oil. We see now that the price has gone down so the economics of these projects are not the same as they were two years ago.

Most of the difficulties are not because of the tax propositions we have put forward. The Wolf Lake project was accepted not long ago. Many of the difficulties are not because of a lack of tax incentives from the federal Government or royalty incentives from the Alberta Government; they are based on the international price of oil which is not going up but is going down at this time.

GOVERNMENT OFFER

Mr. Jack Shields (Athabasca): Madam Speaker, is the Minister saying that he is offering the same deal to other oil

companies for the development of the oil sands in exactly the same way it was offered to BP and Petro-Canada?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, when it was mentioned in the budget and in my communications with the press, we said we were offering a generous incentive to all the companies, so any which want to have the same deal as BP and Petro-Canada in the case of Wolf Lake can apply for the same deal.

By the way, I would like the Hon. Member to apologize to Petro-Canada because the day that Petro-Canada joined BP in the Wolf Lake project he was rather nasty vis-à-vis Petro-Canada. In fact the partners of BP, other companies in the private sector, did not want to join BP, so Petro-Canada did.

* * *

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

RESPONSIBILITY TO DEAL WITH TELEVISED PORNOGRAPHY

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, on January 18 the Minister of Communications, in reply to a question of mine on pornography in pay-television, told the House that Parliament had given authority over content to the CRTC and that the CRTC had the necessary powers to monitor the situation and take corrective action. He also said that he had full confidence in the Chairman of the CRTC and in the CRTC itself. Since then, the Chairman of the CRTC has said that he—

● (1450)

Madam Speaker: Order, please. The long preamble, with all the quotations, which the Hon. Member has given, is not necessary for the question. I would urge her to go straight to her question.

Ms. McDonald: My question, Madam Speaker, is: does the minister of Communications agree with the Chairman of the CRTC that it is not its responsibility to deal with pornography? Has he changed his mind from the position he gave to the House on January 18?

Hon. Francis Fox (Minister of Communications): Madam Speaker, when one speaks of the powers of the CRTC and the powers delegated by Parliament to the CRTC, one must obviously consider the Broadcasting Act which was passed unanimously by all Parties in the House in 1968. What the Broadcasting Act states is that the CRTC has responsibility for supervising and regulating the broadcasting system in Canada.

INQUIRY RESPECTING PENALTIES

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, the Minister has not answered the question, and I think we must know where he stands. Does he consider that Canadian women deserve some protection against pornography, which is becoming worse? If so, how? Can he be very specific? If a pay TV station, or a network, or a television broadcasting station, is convicted of obscenity, for example, under the Criminal Code, does he believe that there should be revocation of licence?

Hon. Francis Fox (Minister of Communications): Madam Speaker, the Hon. Member had the opportunity, if she so desired, to direct all of her questions to the Chairman of the CRTC, who appeared in front of the Standing Committee on Communications and Culture of the House. During the course of his presentation there, the Chairman of the CRTC, himself, indicated that he thought the proper place for dealing with obscenity in Canada was through the Criminal Code.

Very recently the Minister of Justice of Canada indicated his intentions of bringing forward amendments to the obscenity provisions of the Criminal Code of Canada. The basic position of the Government of Canada is that problems of obscenity on TV or in other areas should be dealt with, as is also stated in the Broadcasting Act, by a statute of general application. The statute of general application which should apply in such a situation is, indeed, the Criminal Code of Canada.

It ought not to be up to the Crown, the Government, or the executive, to decide what type of programming ought to be allowed in the broadcasting system in Canada. To make that type of suggestion is to indicate that we should have the type of system which does indeed exist in many socialist countries, but which does not exist in countries such as Canada.

* * *

FISHERIES

INQUIRY WHETHER MAGDALEN ISLAND FISHERMEN MAY RESUME OPERATIONS

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Madam Speaker, my question is directed to the Hon. Minister of Fisheries and Oceans. The Gaspé fishermen accepted the federal Government's offer for reopening the fishing season in March 1983, pending implementation of the Kirby report. Although most co-operative fishermen in the Gaspé want to get rid of the Pêcheurs-Unis, they agreed with the De Bané plan so that the processing plants could be reopened. Considering the fact that as of June 1, 56 per cent of the ground fish quota has been caught in the Gulf, could the Hon. Minister inform the House whether he expects fishermen from the Magdalen Islands to be able to go back to sea within the next few days so that they can also have a share of the ground fish quota in the Gulf?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, the Hon. Member was present with other Members from Eastern Quebec when we made our offer to all Pêcheurs-Unis plants, including the Madelipêche plant, and all plant workers agreed that the federal plan, namely, to reopen the plants, provided creditors exercised restraint, was supported by all plant workers, including Madelipêche. What I am

trying to do now is to reopen Madelipêche, provided I can get the assurance of the Government of Quebec that it will do everything in its power to avoid a situation where reopening the plant would be a threat to other plants that have been reopened, in the riding of the Hon. Member for Gaspé, for instance.

* * *

[*English*]

RACISM

ESTABLISHMENT OF PARLIAMENTARY COMMITTEE—CONSULTATION WITH PROVINCES

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, my question is directed to the Minister of Multiculturalism. Before a parliamentary committee is set up on racism and bigotry, I would like to know whether the Minister has consulted with the Commissioner of Human Rights and with his ministerial counterparts in the different Provinces.

Hon. Jim Fleming (Minister of State (Multiculturalism)): Yes, Madam Speaker, the proposed parliamentary committee, although new reports have had it otherwise, comes as a result of a symposium held in Vancouver in April of 1982, on race relations and the law. The Commissioner of the Canadian Human Rights Commission was a member of the symposium. There were representatives of a number of the provincial human rights commissions. The major recommendation out of the symposium was that we should have a national inquiry into racism in Canada.

REQUEST FOR MINISTERIAL ACTION

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, is the Minister planning to spend another three-quarters of a million dollars out of his $13.7 million budget? I hope he will not take it out of the multicultural advertising budget and go ahead and travel across the country to study something which he has now done 11 times, spending $1.5 million. I wonder what the Minister will do now about bigotry. I think it is very important that something be done right now.

Hon. Jim Fleming (Minister of State (Multiculturalism)): I am afraid the Hon. Member, my critic, has not been reading my press releases. I will forgive him, except to say that the 11 situational studies to which he made reference, although, again, the press was wrong, did not cost $1.5 million. They cost $94,000. They were done in preparation for the symposium on race relations and the law.

My budget for grants and contributions to multiculturalism was doubled about six weeks ago. Therefore, next year it will be approximately $17 million or $18 million, double the previous amount.

One of our major priorities is race relations. Therefore, we indeed have focused very much on the situation. I hope we will have the support of the Hon. Member for the proposed committee because, indeed, the ones who called for it were human rights commissioners, civil libertarians, and a cross-section of visible minority leaders. I hope we will have his support and that of his caucus. Indeed, that is our parallel, our initiative in doubling funding and proposing the Parliamentary inquiry.

Mr. Oberle: I am inclined to say that an election has just been announced.

* * *

BANKS AND BANKING

REFUSAL TO CASH INCOME TAX REFUND CHEQUES

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is directed to the Minister of National Revenue. I am sure that he, like myself and many of our colleagues, has been inundated with reports that Canada's banks are not accepting Government cheques, usually income tax return cheques. They are not cashing them unless a person has an account. If there is an account, it is frozen by the amount of the cheque for up to six months.

I would like to ask the Minister whether that is a reflection of the Government's precarious financial situation and the excessive deficit which it carries.

Some Hon. Members: Oh, oh!

Mr. Baker (Nepean-Carleton): The Minister of National Revenue's lot is never a happy one.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I have been accustomed to far more serious questions, and especially comments, from the Hon. Member.

I think the Hon. Member realizes full well that financial institutions are acting in the interests of Canadian taxpayers when they take certain precautions before cashing a cheque, and ask for ID and whether the individual has an account, to make sure that the person cashing the cheque is in fact the rightful recipient. I believe it is most certainly in the interests of the thousands of taxpayers who are now receiving income tax return cheques from the Canadian Government, to make sure their cheques do not go to the wrong person as a result of theft or because someone tried to cash the cheque by fraudulent means.

It is therefore a practice followed by financial institutions, to protect taxpayers by making sure that the cheque is being cashed by the right person.

[*English*]

Mr. Oberle: Madam Speaker, I had not intended at all to be devious or funny in my question. It is serious.

DELAY IN HONOURING CHEQUES

Mr. F. Oberle (Prince George-Peace River): There are many people who are unemployed, whose benefits have run out, who have earned some tax credits in previous years, and who do not maintain bank accounts. Why does it take six weeks or six months for a cheque to clear through the Government bureaucracy? Why do the banks need that unusual protection in terms of Government cheques? Where is the fraud? Is it in the Government bureaucracy? Is it in the Post Office? Has the Minister undertaken any initiatives to clean up this fraud and this mess?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think the Hon. Member has a problem but is reluctant to take a careful look at the facts.

The precautions taken by financial institutions when cashing cheques, whether it is a cheque issued by the Government or by a private citizen or any other kind of cheque, are taken in order to protect their customers and the people in whose name the cheques have been issued. I think it is in the interests of all Canadians that such precautions should be taken, to ensure that when large numbers of cheques are issued, there is no opportunity for fraud which would deprive the rightful recipients of the money to which they are entitled.

● (1500)

[*English*]

GOVERNMENT ORDERS

SUPPLEMENTARY BORROWING AUTHORITY ACT, 1983-84 (NO. 2)

MEASURE TO ESTABLISH

The House resumed from Tuesday, May 31, 1983, consideration of the motion of Mr. Cosgrove that Bill C-151, an Act to provide supplementary borrowing authority, be read the second time and referred to a Committee of the Whole.

Madam Speaker: It being three o'clock, pursuant to Order made Wednesday, June 1, 1983, it is my duty to put every question necessary to dispose of Bill C-151, an Act to provide supplementary borrowing authority.

Accordingly, the question is as follows: Mr. Cosgrove, seconded by Mr. Chrétien, moved that Bill C-151, an Act to provide supplementary borrowing authority, be now read a second time and referred to a Committee of the Whole. Is it the pleasure of the House to adopt the 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 yeas have it.

And more than five Members having risen:

Madam Speaker: Call in the Members.

The House divided on the motion (Mr. Cosgrove) which was agreed to on the following division:

(*Division No. 324*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—127.

NAYS

Messrs.

Althouse
Andre
Anguish
Baker (Nepean-Carleton)
Benjamin
Blackburn
Blenkarn
Cardiff

Messrs.

Carney (Miss)	Kempling	Neil
Clarke	Kilgour	Nickerson
(Vancouver Quadra)	King	Nielsen
Cooper	Knowles	Nowlan
Cossitt (Mrs.)	Kristiansen	Nystrom
Darling	Kushner	Oberle
Deans	La Salle	Orlikow
de Jong	Lewis	Paproski
Fennell	MacDougall	Parker
Forrestall	Manly	Patterson
Fretz	Mayer	Reid
Greenaway	Mazankowski	(St. Catharines)
Gurbin	McCain	Robinson
Halliday	McCuish	(Burnaby)
Hamilton	McDermid	Roche
(Qu'Appelle-Moose	McDonald (Ms.)	Sargeant
Mountain)	(Broadview-Greenwood)	Schellenberger
Hargrave	McKinnon	Shields
Hawkes	McKnight	Skelly
Heap	Miller	Stewart
Hovdebo	Mitchell (Mrs.)	Taylor
Huntington	Mitges	Thacker
Jarvis	Munro	Vankoughnet
Jelinek	(Esquimalt-Saanich)	Wenman
Jewett (Miss)	Murphy	Wright
Keeper	Murta	Young—79.

● (1540)

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into Committee thereon, Mr. Blaker in the Chair.

On Clause 1—

[*Translation*]

Mr. Lapointe (Charlevoix): Mr. Speaker, I would like to move the following motion:

That sub-clause 2(1) of Bill C-151 be amended by substituting—

The Deputy Chairman: Order, please. We are not yet considering clause 2.

[*English*]

The Deputy Chairman: We have not yet arrived at Clause 2.

Clause 1 agreed to.

On Clause 2—*Borrowing Authority*

Mr. Lapointe (Charlevoix): Mr. Chairman, I move:

That subsclause 2(1) of the Bill C-151 be amended by striking out line 14 on page 1 and substituting the following: "exceeding in the whole, ten billion seven"

The Deputy Chairman: Pursuant to the House order made yesterday, the amendment suggested by the Minister is found to be in order. Shall the amendment carry?

Some Hon. Members: Agreed.

Amendment agreed to.

The Deputy Chairman: Shall Clause 2 as amended carry?

Some Hon. Members: Agreed.

Clause 2 as amended agreed to.

Title agreed to.

Bill reported with amendment.

Mr. Cosgrove moved that the Bill be concurred in.

Motion agreed to.

Mr. Cosgrove moved that the Bill be read the third time and do pass.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Motion agreed to on division and Bill read the third time and passed.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions, with the exception of one, presented by Hon. Members on Wednesday, June 1, 1983, meet the requirements of the Standing Orders as to form. The petition presented by the Hon. Member for Kamloops-Shuswap (Mr. Riis) does not meet the requirements of the Standing Order as to form.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Lewis: Madam Speaker, this being Thursday, I should like to take this opportunity to ask the Government House Leader to clarify the business of the House for next week. At the same time I would ask if he could clarify the disposition of the motion debated last Friday with respect to the Alberta Electoral Boundaries Commission report.

Mr. Pinard: Madam Speaker, the business for the remainder of the week is that we have agreed to go through all stages of the Unemployment Insurance Act today and it should be dealt with before six o'clock. Tomorrow will be an allotted day.

[*Translation*]

As far as the business of the House for next week is concerned, I would like to designate two days as Opposition days, namely Monday and Thursday. Next Tuesday we shall be considering the report stage of Bill C-85, the Canagrex Bill, and next Wednesday will be set aside for Private Members' Business. Regarding the point raised by the Hon. Member—

[*English*]

In relation to the debate we had earlier last week on the electoral boundaries of the Province of Alberta, it was made clear during the debate that we intended that this debate be completed later. If I may, I should like to refer the House to *Hansard* of May 27, at page 25791, where I said:

The debate is not terminated today. It will go on at a later date and I will inform the House accordingly.

I think that was the agreement, Madam Speaker. What has been reproduced in *Votes and Proceedings* does not reflect what I said on the floor of the House. It should be made clear that the consideration of the objections to the boundaries of Alberta were not merely adjourned but that the debate has to be completed before the report is sent to the Chief Electoral Officer. If it is absolutely necessary, we might have a House order stating that the debate has to be completed first, but I do not think it is necessary. I think it was very clear, but to satisfy some minds we would agree that the debate has to be completed and that there be a House order to that effect.

Madam Speaker: I think it has to be made clear to the House—I understand that the debate itself was not completed, as was made clear by the hon. Minister and as he repeated today. Members must understand that even if the debate is not completed, unless an order of the House is given to the contrary, the Speaker is obligated to make a report even if that report includes the warning that some future debate will take place. However, according to the law, once a report has been made by the Speaker, the procedure goes on and is open. As Hon. Members know, once a report is made, then the boundaries can be proclaimed. If it is a House order that the Speaker do not report, in the dalays provided by the law, then of course the House interprets the law, and if that House order is given the Speaker will comply with it.

Mr. Lewis: Under those circumstances, Madam Speaker, I will get together with the Government House Leader and we will draft an order, which I am given to understand the New Democratic Party will agree with.

Mr. Pinard: Madam Speaker, I think there is agreement that the debate not be adjourned but that it be completed before you report to the Chief Electoral Officer. I will seek unanimous consent to that effect.

Madam Speaker: Is there unanimous consent that the Speaker will not report before the debate on the electoral boundaries of Alberta is completed?

Some Hon. Members: Agreed.

Agreed and so ordered.

* * *

● (1550)

ELECTORAL BOUNDARIES READJUSTMENT ACT

TABLING OF REPORT OF COMMISSION FOR THE PROVINCE OF ONTARIO

Madam Speaker: It is my duty, pursuant to Section 19 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to lay upon the Table a certified copy of the Report of the Electoral Boundaries Commission for the Province of Ontario.

HOUSE OF COMMONS

NEW MEMBER

Madam Speaker: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer, a certificate of the election and return of Lee Clark, Esq., Member for the electoral district of Brandon-Souris.

Some Hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. SKELLY—ABSENTEE BALLOTING

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, again I have the honour to present to the House of Commons a petition from a large number of residents of the community of Sointula, British Columbia, many of whom are fishermen, and in past elections have been disenfranchised by the provisions of the Canada Elections Act. They humbly petition today the Government of Canada, and the Chief Electoral Officer to place in the Canada Elections Act an absentee balloting system so that these people within their own riding will have an opportunity to cast ballots in forthcoming elections.

MR. SKELLY—NECESSITY FOR SHIPBUILDING POLICY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have a second petition from residents of Ste. Catherine, St. Jean and St. David in the Province of Quebec, who petition the House of Commons to implement a rational and effective shipbuilding policy in Canada and place this request before the Government of Canada. Subsidiary to that, they would ask the Minister of State for Finance Development (Mr. Cosgrove) to bring forward a law related to the implementation of a Canada shipbuilding policy as soon as possible.

* * *

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. 4,786 and 4,910.

Order Paper Questions

[*Text*]

UPGRADING OF FREDERICTON AIRPORT

Question No. 4,786—**Mr. Howie:**

1. With reference to the answer to question No. 1,574, did the Department of Transport follow through on its plan to upgrade the Fredericton Airport by enlarging the reservoir, upgrading pumps and upgrading the field electrical facility in the fiscal year 1981-82, and by upgrading the waste water treatment plant, constructing perimeter fencing and extending the firehall in the fiscal year 1982-83 and, if not, for what reason?

2. What improvements and maintenance projects were accomplished at the airport during the fiscal year (a) 1981-82 (b) 1982-83?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): 1. With the exception of the firehall extension which is 93 per cent complete and the construction of perimeter fencing deferred to 1983-84, the other projects have all been completed as scheduled.

2. Improvements and maintenance projects accomplished during 1981-82 and 1982-83, in addition to the above projects, are the following: (a) 1981-82; illuminate guidance signs, resolve VOR problems, enclosure and encapsulation of asbestos material in Air Terminal Building, energy conservation studies, replace mobile equipment, prepare airport land for leasing, modify intersection/access road, replace instrument landing system, roof repairs to transmitter site. (b) 1982-83; repair airport mobile equipment, energy retrofit, replace ceiling tile in Air Terminal Building, VHF/DF display control.

FOREIGN INVESTMENT REVIEW AGENCY

Question No. 4,910—**Mr. Deans:**

1. For each year since 1980, what number of person years has the Foreign Investment Review Agency assigned to its Compliance Division?

2. In each of the past four years, what was the annual number of cases that were reviewed by the Compliance Division?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): The Foreign Investment Review Agency advises as follows:

1. Compliance Branch

FY 1980/81	44 person years
FY 1981/82	47 person years
FY 1982/83	47 person years

of which:

Enforcement Division

FY 1980/81	13 person years
FY 1981/82	15 person years
FY 1982/83	15 person years

2. Compliance Branch

FY 1979/80	2,142 cases reviewed
FY 1980/81	2,141 cases reviewed
FY 1981/82	1,997 cases reviewed
FY 1982/83	2,213 cases reviewed

of which:

Enforcement Division

FY 1979/80	1,293 cases reviewed
FY 1980/81	1,258 cases reviewed
FY 1981/82	1,198 cases reviewed
FY 1982/83	1,275 cases reviewed

[*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

[*Translation*]

UNEMPLOYMENT INSURANCE ACT, 1971 (NO. 3)

MEASURE TO AMEND

The House resumed consideration of the Motion of Mr. Axworthy: that Bill C-156, An Act to amend the Unemployment Insurance Act, 1971 (No. 3), be read the second time and referred to a Committee of the Whole.

Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, it is a pleasure for me to take part in the debate on second reading of this important Bill to amend the Unemployment Insurance Act. It is clear that in the circumstances, the Bill must be passed today, and I am sure that all Canadians will be glad to hear that we have been able to obtain the co-operation of the Opposition parties and will therefore be able to pass all three stages of the Bill this afternoon.

Mr. Speaker, in 1977, when the Government introduced variable criteria for eligibility for unemployment insurance and decided that these criteria could vary according to region, it realized that the unemployment problem was not the same everywhere in Canada, and that is why periods varying from ten to fourteen weeks were introduced, depending on the unemployment rate in the region concerned. Mr. Speaker, this Bill is intended to confirm the use of these variable criteria

during the next two years, and I would like to emphasize that it is absolutely vital in regions like ours. I am particularly pleased, in this connection, to be able to draw the attention of the House to a group of senior citizens from the Municipality of Carleton, who can appreciate the advantages of this legislation.

Most of these people have experienced very difficult periods in their lives at a time when there was no legislation to protect them when unemployment was high and it was impossible for them to get a job. That is why the Government has decided to extend the period from sixty-six months to ninety, a measure that was urgently needed in our region and all other regions in Canada.

Of course, if we had agreed to proposals urging the Government to apply the same standard of fourteen weeks across the country, the Government would have saved about $500 million, but in view of the present situation across Canada and the unemployment rate, the Government has decided to maintain the variable criteria and to let some 100,000 workers continue to benefit from the provisions of the Unemployment Insurance Act.

Mr. Speaker, we have also made other changes which are extremely important to many, many workers across the country and which have a direct impact on the region I represent in the House of Commons.

We want to make it possible for the Government to establish regulations that will help fishermen. I have already had an opportunity to draw the attention of the House to a very unfortunate situation existing today in the Magdalen Islands, in my riding, and I think it is very sad that the Quebec Government cannot set aside its political ideology so that we can settle this problem. The fishermen will understand and realize that the changes we want to make in the Unemployment Insurance Act will make it possible for many of them to extend their fishing season for up to two or three weeks and sometimes up to a month, because these changes will not affect their insurable earnings. They will be able to receive unemployment insurance benefits during the winter months and sometimes during the summer as well, which will guarantee them a decent income.

In recent years, and especially in recent months, I have been meeting a number of fishermen's associations in the Gaspé, in the Magdalen Islands, on the North Shore, on the Lower North Shore and even in wellknown fishing areas in New Brunswick and other parts of the Maritime Provinces, and most of these fishermen, if not all, were in favour of the changes that we are proposing today. That is why we are proceeding with this legislation and why we want to give fishermen—Mr. Speaker, I am referring to people who work as fishermen on a boat—better opportunities for working at their own occupation.

The changes we want to introduce will, as I said earlier, enable the Commission to prepare regulations that will give the fishermen far greater flexibility.

In recent years, and especially last summer, I noticed in my riding that people have had to give up fishing because it was not worthwhile for them to continue fishing during the last weeks of August, September or October, because of weather conditions. When a fisherman wants to go out to sea on Monday, Tuesday and Wednesday and there is a storm, he will certainly not go out on Thursday or Friday, because his catch for those two days will be so limited as to have a direct impact on his insurable earnings.

The changes in the Unemployment Insurance Act will enable the Minister to implement the recommendation in the Kirby report that the fisherman's ten best weeks during the fishing season should be used to establish his eligibility for unemployment insurance benefits and the amount of such benefits.

In my view, these changes are very important, and I am sure that the Opposition Parties have also realized that they were urgently needed in order to help people make a decent living during the fishing season, which has already started.

Mr. Speaker, I shall not make further demands on the time of the House, and these are the two points I wanted to make with respect to the Bill being considered today. I am sure that all Canadians, and especially people living in Eastern Quebec and the Maritime Provinces, will realize that in proposing these amendments, the Government has firmly resolved to remove regional disparities in our country and to enable all Canadians, wherever they may live, to have a share of the wealth in this country, and to be able to make a decent living and have the same standard of living wherever they may be.

• (1600)

[*English*]

Mr. Gordon Taylor (Bow River): Mr. Speaker, first of all I would like to congratulate the Minister and thank him for bringing in the adoptive parents amendment. Some weeks ago when this Bill was before us in Committee of the Whole, the Hon. Member for Nepean-Carleton (Mr. Baker) and I brought this matter to the attention of the Minister and he appeared sympathetic at that time. I am very pleased indeed that he has now brought in this amendment. I do not think that we recognize enough the service that parents give to the country in adopting children. Many of these children have no name and no prospects except that of living in foster homes or institutions. Adoptive parents give the child a name and he or she becomes part of the family with all its advantages. Most important, the child is given training by the parents and starts out on an equal basis with other boys and girls.

Until this time this legislation has been very discriminatory. Some time ago the lawmakers saw fit to give consideration to the natural mother of a child in collecting unemployment insurance benefits if she qualified. That was an excellent piece

of legislation also. When difficulties and complications during birth arise, sometimes the six month period is not enough. I understand the amendments which are going to be proposed this afternoon will look after that situation, and that where there are complications a mother who qualifies will then be able to have that time extended a reasonable amount. I am looking forward to seeing that amendment.

When Parliament adopted that Section to provide unemployment insurance for natural mothers, Mr. Speaker, it did not provide the same benefit for adoptive parents. Many Provinces, certainly Alberta, require that one of the adoptive parents must remain home with the child for a period of six months. In many cases this is tantamount to giving birth to the child because the child is adopted two or three days, sometimes seven days, after its birth. I think the agencies across this country concerned with child welfare who have followed that practice were acting wisely and in the interests of the child. I think it was one of the Holy Fathers who said if he had the care of the child for the first seven years, then he did not worry too much about that child after that. I think generally that is true and that is the basis, I believe, of the thinking of our welfare departments when they say parents who adopt a child should remain at home with that child for a period of six months. I hope there will be some provision made for that too.

What has happened until now, Mr. Speaker, is that there has been no unemployment insurance for adoptive parents. Consequently, they had to leave their jobs, and sometimes it was not there when they wanted to go back. With today's cost of living, many of these parents ran into financial difficulties because they were used to the two pay cheques coming into the home. When that is cut back to one, then they have financial difficulties. I understand that some provincial Ministers concerned, certainly in Alberta, have looked with a good deal of compassion on cases like that and have ensured that the parents could go back to work. However, there were other times when the job would be lost if the parents could not go back to work. Now that is no longer going to be a problem because if the mother qualifies for unemployment insurance, then she will be able to draw unemployment insurance just as if she was a natural mother. I think that is excellent, and again, as I said at the beginning, I want to commend the minister for bringing in this amendment. He could have said, "We are too busy now. We have many other Bills". Instead, he put this one on the line, he said it was important, and I agree with him. This will have a great impact on scores of babies who are adopted from this time onward because the parent will be able to stay home and give the child the training it requires.

Now when a parent adopts a child of school age the same problem does not exist. Many of our child welfare agencies recognize that. Someone should be at home with the child when he is not at school, but certainly parents can work during school hours without detriment to the child. That is provided for in the rules and regulations of the Province of Alberta, and I suppose in every other Province. Consequently, when a child is adopted at the age of 12 or 14, again the parent should be at home when the child is there. But it is not the same situation as when a family adopts a three-day old baby. So this is excellent legislation. It will eliminate the discrimination in the Act.

Some of my own constituents have faced that discrimination and they felt it was the officers of the Commission who were preventing them from obtaining unemployment insurance. They could not believe that the law said that only natural parents would secure this benefit. Some even appealed the decisions because they wanted to bring attention to the discrimination which was evident. I am glad that the Bill, with thanks to the Minister who has brought it in at this time, will eliminate discrimination against adoptive parents.

• (1610)

I say again that we owe a tremendous amount to men and women who adopt a baby or child of any age, take the child into their home, make it their own, and provide it with not only worldly goods, clothes and education, but also with love and care. That is one of the important things in a young child's life.

This is important legislation and I am certainly happy that the Minister is presenting it this afternoon. Some people have said to me that there is too much of a chance for abuse in this legislation. I cannot see that. It has been mentioned that some people will pay $5,000 for a baby. Will the mother then be able to collect unemployment insurance? Anyone who pays $5,000, $1,000 or any sum of money to buy a baby is surely in such a good financial position that the mother may not even be working. Such people want a child so badly that they are prepared to buy one. They have the worldly goods. If it is done above board, and I do not like that type of thing myself, but if it is done above the table, through proper authorities, the child does receive a home. However, such a parent would not qualify for unemployment insurance.

The only mothers or fathers who qualify will be those who have the necessary weeks of employment with a particular firm. No one will work just for the sake of being able to draw unemployment insurance after adopting a child. It is part of their lives. They try to build up a home. They try to have a home, a nest, so to speak. Then, when they are in a sufficiently good financial position to give a child a worth-while life, they adopt. The everyday expenses are heavy. This is where the unemployment insurance will come in. It will be a tremendous boost to those who qualify for it. For those who do not qualify, it will be exactly the way it is today. There will not be any change. There will not be scores of people who will suddenly adopt babies just for the sake of receiving unemployment insurance benefits. I do not believe that at all. As a matter of fact, there are not that many babies available. They are scarce when one wants to adopt a child. Maybe that is good. However, these people do have to qualify under the Act.

When they qualify, they are entitled to benefits, just the same as a workman who becomes ill on the job. If he has the necessary weeks, he receives the unemployment insurance to which he is entitled. He must have it to continue to live. Today many of our workers do not have nest eggs. They live week by week or month by month, on their paycheques. Therefore, I do

not think this will be a tremendous burden on the Unemployment Insurance Fund. I am doubtful if, after a year, we will even notice the amount which is drawn out of the fund by adoptive parents. However, even if we do, this is worthwhile legislation.

It is also necessary for everyone in the country who is contributing to be able to work. Work is necessary. Productivity is necessary. Without productivity in this country, we cannot have legislation such as this. Without productivity, we cannot have old age pensions or care for those who need it the most. Consequently, a central part of this whole program is to ensure more and more industries, investment and employment of people so that employers and workers continue to contribute to the Unemployment Insurance Fund. The productivity in the country enables the Government to give out social legislation such as this which will be of benefit and help to us in the future.

I do not think that a dollar spent on care for a child, whether an adopted child or otherwise, is money lost. I do not think it is an expense. Rather, it is an investment. Every child in whom we invest will make a contribution in the future. More and more, we must start thinking about investing in our boys and girls instead of paying thousands of dollars after they make mistakes. Let us prevent the mistakes from happening. We surely know enough psychology and sociology today to be able to work out plans which will enable scores of boys and girls who today land up in our prisons and institutional homes to have the proper channels to make a go in life so that they do not end up in jail.

I remember going to an institution in Edmonton just a few years ago. I saw many boys and girls, 14 years to 16 years of age, who had been sent there by the courts. When I spoke to many of them, I found that the reason they were there could be summed like this: they did not make their way in high school. They did not learn how to read when they were in grades one through five. They were slow learners. They were pushed ahead until they reached the senior grades of elementary school or the early years of high school. They could not read and could not keep up. They became discouraged and frustrated and dropped out. Then they lost their friends who were still in school. They got in with a bad crowd, and that is why they ended up in the institution.

I saw them trying to learn how to read. One boy was reading a book with the name of a detective story on the cover. I asked the instructor why he was reading detective stories. He said, "That is not a detective story. Go around and look". I did so and found that the boy was reading a grade three primer. He was learning how to read but did not want anyone to know that he did not know how to read, and that was natural. A child should not be embarrassed because he is a slow learner.

Our schools must recognize the fact that our boys and girls who are slow learners are not retarded. They just need extra attention. If they learn how to read, that is one of the best things in the world to ensure that they will make their way in life a little later on. This will prevent us from having to spend money on jails and institutions. Thousands of dollars are being spent today, but this expense could be avoided if we take the necessary sociological and psychological steps to try to prevent these children from taking the wrong path. We should help them to go on the right path, which will make them better citizens and the country a better country.

Greater productivity will enable us to give good social legislation to the people who need it, including what we are doing today. However, if we do not have productivity, then we will not be able to provide those things we want to provide to those who are unable to provide for themselves, those who are unable to care for themselves, those who need the help the most.

Therefore, I would like to emphasize two points. The Unemployment Insurance Fund is there. If there are abuses, let us try to wipe them out. We should find them and cure them. There are abuses in this type of legislation, but let us not penalize those who only want to do what is right with the fund because there are others who abuse the fund. Second, let us ensure that we give the people of this country a chance to invest, encouraging them to invest their money so that we can have jobs. There are no jobs without investment. Invest the money, and then money will come into funds such as the Unemployment Insurance Fund, enabling us to provide legislation of this kind without its being a burden on the country.

I am happy to see this legislation coming in. It is long overdue. It is doing away with discrimination which should never have been there but has been there. It will now make many people across the country happy because they can see that they may well be able to adopt a child, whereas before they just could not afford to do it.

• (1620)

The Acting Speaker (Mr. Blaker): Questions and comments. Debate.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I was going to say a few words about the provision in the Bill to allow adoptive parents to receive unemployment benefits the same as natural parents. However, I believe the Hon. Member for Bow River (Mr. Taylor) has said most of it. I was happy to hear him make a Liberal speech today and hear him come out in favour of Government intervention on behalf of individuals. I am also pleased that this Bill has come before the House. I appreciate the co-operation that was apparent from all Parties to have the amendments to the Unemployment Insurance Act passed in a very short period of time.

However, we did hear many complaints this morning from the Hon. Member for St. John's (Mr. McGrath) about the fact that there would be only one day of debate. He disagreed with that. I must remind Members that second reading of a Bill is supposed to be a debate of its principles. It would seem to me that if second reading would take less time in the House there would be much more time for committee study and detailed analysis of Bills. Since Members would be better informed, we could pass better legislation.

The second suggestion I would make to the Hon. Member for St. John's East, who I know has a social conscience, is that we could have more time available for debating Bills such as this if there were more expeditious votes instead of the Opposition Members leaving the House and letting the bells ring anywhere from several hours to 15 days. We would have a good deal more time to debate in the House if that did not happen. If I remember correctly, the Hon. Member said in his remarks this morning that the provision of the variable entrance requirements under the present Act was done by the Minister of the day following his suggestion.

Mr. Breau: Did he say that?

Mr. Dionne (Northumberland-Miramichi): I believe he did. As a matter of fact, he did say that. He just confirmed that he said it.

Mr. Breau: That is not true.

Mr. Dionne (Northumberland-Miramichi): The Hon. Member for Gloucester (Mr. Breau) just said that that is not true. After the argument that occurred this morning, I would advise the Hon. Member not to say that. It leads to all kinds of procedural harangues.

With respect to the previous amendments to the Bill, I do not mind admitting that there was a fair amount of debate not only between the two sides of the House but in the caucuses. If the other caucuses reacted in any way similar to the Liberal caucus at the time, there must have been a lot of debate within the caucuses. I remember very well a number of meetings which we had with the then Minister in which we from the Atlantic Liberal caucus not only proposed but demanded that there be variable entrance requirements. The Hon. Member for St. John's East says that that was after he put it forward. If it was after he put it forward, that is fine with me. We won the day and we have variable entrance requirements.

The principle being argued at that time, which was not really a principle but an expediency, was that certain people from certain parts of the country, without naming them specifically, which were heavily industrialized and well developed, wanted to cut the guts out of the unemployment insurance system at the time and make it much more difficult for people to get on the unemployment insurance rolls. They were very enthusiastic about making it much tougher for people to draw unemployment insurance. Some of us who represent areas that are not quite as well developed and do not have all the facilities and industry that other areas have, stood our ground and said that they cannot legislate for the industrialized parts of the country alone. As a result of that objection we now have the variable entrance provisions in the Bill.

I wish to say something about the Minister. I believe most Members of the House would agree that the Minister is a very responsible and responsive Minister. He has taken his duties seriously and has worked very hard to mitigate the effects of the recession which we have experienced in this country. He has designed programs to put people back to work. He has listened carefully, reacted quickly and has used every means at his disposal to consult not only with his colleagues in the front benches but with all of his colleagues in the House to make life better for the people whom we represent. I want to take this opportunity to thank him publicly.

There are three very important areas in the Bill and most of them have been spoken to. I want to add my support for the provision of equal treatment for women whether they are natural or adoptive parents. I believe that to be an extremely important measure. Another extremely important provision is the variable entrance requirements which are extended by this Bill. That is particularly important to areas of high unemployment in this country.

This morning we heard a lot of rhetoric about fishermen from the Hon. Member for Winnipeg-St. James (Mr. Keeper). He talked about the fact that there were no amendments in this Bill dealing with fishermen. While there is no doubt that amendments are needed, everyone knows that this is what might be termed emergency legislation to prevent a sunset clause on the variable entrance requirements coming into effect. I am not convinced that amendments to the fisheries provision in the Unemployment Insurance Act at this time would receive the proper scrutiny in order to ensure that the best possible provisions are made for that vital industry in Atlantic Canada, the Pacific Coast and also the inland waters of Canada.

While the Hon. Member for Winnipeg-St. James was doing a great job this morning of straddling both the issues of motherhood and apple pie, and wept eloquently, I must point out that he failed to mention that fishermen are in fact the only self employed people in the country who have access to the unemployment insurance scheme. He also talked about the need to lower the premiums, the Government's obligation to provide a job for everyone, and the need to pay for unemployment insurance out of general revenue. That is great socialist pap, but that is the best that can be said for it.

He talked about the degradation of welfare. I cannot see the degradation of welfare, and such a term should not be attached to it. If there is a degradation of welfare it is a result of how the Provinces have administered it. What the Hon. Member proposes to do with the unemployment insurance scheme would make it nothing more than an extension of the welfare system. In my opinion, to follow that kind of facile proposal would result in the destruction of the unemployment insurance scheme. It would no longer be an employment insurance scheme, as it should be called, but simply an extension of welfare. It would be another welfare system operated by the Government of Canada rather than by the Governments of the Provinces.

• (1630)

Before I sit down, there is one plea I want to make to the Minister. I think the greatest problem with unemployment insurance in the country is the determination of eligibility. We have literally hundreds of cases, probably thousands across the country, where eligibility or ineligibility is determined after the fact rather than before the fact. Claimants are sometimes told

that they must pay back thousands of dollars to the federal Treasury after they have received the payments in good faith, because it is not the Unemployment Commission that is determining eligibility, it is the Department of National Revenue, a Department that is known to have all the subtlety of the wreckers' ball. It is absolutely imperative in my opinion that that determination of eligibility be done by the Commission within the Department of Employment and Immigration where there is some sensitivity to the unemployed and knowledge of whether or not a person is eligible for unemployment insurance.

There are other regulations surrounding unemployment insurance that are counter productive as well, and I think we have to take a look at those. For example, there is the provision that prevents the person receiving unemployment insurance from going to school, trade school or some other institution of learning to take courses to advance his or her ability to find a job.

Some Hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): The present regulations prevent people from doing that unless they go to school at night. That is another anachronism, because there are almost as many people who work at night now as those who work in the daytime. If you go to school in the daytime then you are judged available for work and you are denied unemployment insurance. However, if you go to night school, that is all right; you are not judged unavailable for work. That is a discriminatory regulation. In fact, I would say it is a stupid regulation and it should be removed. I hope the Minister will remove that regulation when we bring in the next batch of amendments before the end of this session or early in the next one.

The Acting Speaker (Mr. Blaker): Are there any questions or comments?

Mr. Skelly: Mr. Speaker, I wish to raise as a question or a comment a matter with the previous speaker. Section 146(11) provides some very broad and sweeping recommendations to make regulations under this legislation. I want to outline very briefly an incident that occurred in my riding, and I wonder whether the Hon. Member for Northumberland-Miramichi (Mr. Dionne) will speak to it.

The Unemployment Insurance Commission has hired former members of the Royal Canadian Mounted Police to act as officers of the UIC. In a particular case in the community of Powell River, British Columbia, it appears a claimant's claim was cancelled in order to assist the RCMP in a police investigation. I wonder whether, to the knowledge of the Hon. Member, there are linkages between the RCMP who have retired and are working for the Unemployment Insurance Commission and those who are active in the force conducting investigations. To the Hon. Member's knowledge, has any such action, where the UIC has acted on office or in an attempt to render assistance with the RCMP, resulted in the cancellation of people's claims? In the particular case I am concerned about in the very powerful regulations, individuals are not entitled to examine their claims. They have been told by officers involved that if they want to examine their files they must seek remedy under the Freedom of Information Act.

By way of notice to the Minister, and he will be in the House when we go into Committee of the Whole—I wonder whether it is possible to give him notice—I want to ask whether this is an official policy of the Department that he administers. Do you, as a Member, have any knowledge of this type of thing? Is it possible for us to have some comments on that kind of activity?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I do not know if that question was directed to me or not. Having never been in Comox-Powell River I could hardly be aware of what a former member of the RCMP might be doing while employed now for the Unemployment Insurance Commission. That seems to be stretching my knowledge a little far. Neither do I have knowledge of any former RCMP officers in my own area working for the Unemployment Insurance Commission. We have a CEIC branch in Northumberland-Miramichi staffed by some very capable people who do an outstanding job in applying the law and in dealing very reasonably, I think, in the vast majority of cases with people who come to them for assistance. I have not heard of any such situation as alleged by the Hon. Member for Comox-Powell River. I think he should be more aware of what is happening in his constituency than I am.

Mr. Miller: Mr. Speaker, I would like to address a question to the Hon. Member for Portneuf (Mr. Dion). The Hon. Member indicated that he felt there was some reasonable—

The Acting Speaker (Mr. Blaker): Order, please. Questions and comments are directed to the Hon. Member who has just spoken, and that is the Hon. Member for Northumberland-Miramichi (Mr. Dionne).

Mr. Miller: Mr. Speaker, I had the wrong riding. My question is for the Hon. Member for Northumberland-Miramichi. My question is with regard to his comment that some of the fisheries regulations concerning UIC do need further scrutiny. Is the Hon. Member aware that this Bill and the purpose of part of this Bill, namely, Section 146, is to restore some of the regulatory power to the Government, of the UIC provisions, that were lost under the Silk decision? Would the Member be prepared to say that if, as the Minister indicated, this Bill is passed, some of the Kirby recommendations would be implemented, in particular, the recommendation declaring the best 10 weeks of 15 weeks' fishing? Is the Hon. Member aware of the Commission's decision, is the Government going to go ahead with that immediately, and will that stipulation of 10 out of the 15 weeks apply right across Canada, not only to Atlantic Canada but to inland waters and to the West Coast?

The Acting Speaker (Mr. Blaker): Order, please. The Chair is having some difficulty. Since the provisional Standing Orders were brought into effect, for my own part, and I believe

other occupants of the Chair have done the same thing, I have extended to all Hon. Members the widest possible latitude under the term "questions, comments and answers." This is the first time that I have seen the development where Hon. Members have risen, now two in a row, indicating that an Hon. Member should respond to a question which sounds to me as though it ought to be put to a Minister, or to any other Member in the House. The Hon. Member can certainly defend himself in terms of his comments. However, I wonder whether or not the concept of the ten-minute question and answer period is such that a Member rising during that period can attempt to put a question to a Minister who in that event may not be the person whose comments he is concerned with. I am concerned that that may not be within the rules that are now in force wherein there is a reference to the fact that the ten-minute question and answer period must be relevant to the remarks made by the Hon. Member who had to floor. Given that simple warning, I will recognize the Hon. Member for Northumberland-Miramichi (Mr. Dionne).

Mr. Dionne (Northumberland-Miramichi): In my opinion, Mr. Speaker, you are absolutely right. I did accept the question from the Hon. Member for Comox-Powell River (Mr. Skelly). I should not have because what Members of the NDP are involved in now is a mug's game, and I am not going to play it with them.

Mr. Miller: Mr. Speaker, I rise on a point of order. The question I asked was a sincere question based on the comments which the speaker had made regarding some of our speeches in which we spoke of the need for some amendment which would specify changes in unemployment insurance that we think are important. I was simply asking if the Member feels confident—

● (1640)

The Acting Speaker (Mr. Blaker): Is the Hon. Member rising on a point of order? The point of order is properly addressed to the Chair. It is I, not the Hon. Member for Northumberland-Miramichi (Mr. Dionne), who has expressed some concern about questions or comments which are not relevant to the Hon. Member's speech but which are more indirectly, apparently, refering to ministerial policy. I have some question as to whether that is an appropriate interpretation of the provisional Standing Orders that we have.

I do not want to make a ruling on that because I have stated time and again to the House that my interpretation of these provisional orders is that they ought to be as open and as free as possible. However, I have a concern that questions can be disguised by putting them to the Hon. Member who spoke but, rather, intending them to be a reflection upon some other Hon. Member or Minister, regardless of which is the case.

The Hon. Member raised a point of order. I accept his point of order. It is a matter that may need further consideration as to the interpretation of our Standing Orders. For the moment I am going to leave it in the hands of the Hon. Member for Northumberland-Miramichi as to whether or not he wishes to continue. We are still in the ten-minute question and answer period.

Mr. Skelly: Mr. Speaker, a fair comment to the Hon. Member for Northumberland-Miramichi is a response to his opinion that we cannot deal with this particular need to redress the grievances of fishermen at this time. My comment would be that that speaker and the speakers of this morning from the Conservative Party are absolutely wrong. As experienced Members of this House, they know full well that we will not have unemployment insurance legislation for eons before this House and thus an opportunity to provide some equity and fairness to fishermen. The key point, and the Hon. Member for Northumberland-Miramichi knows this full well, is that the Liberals and Conservatives—

The Acting Speaker (Mr. Blaker): Order. That is debate with the Hon. Member for Northumberland-Miramichi. The Chair is most disposed to hear questions, comments and answers. There is no difficulty in that regard. I am trying to deal with the point of order. If I may, I prefer to recognize the Hon. Member on questions, comments and answers.

Mr. Skelly: Mr. Speaker, I am sorry. I thought you had disposed of the point of order. I was following with a supplementary comment to the Hon. Member's remarks.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, apparently the Hon. Member cannot read Section 146 as proposed in the Bill. It states that the Governor in Council may, and I quote:

> —make such regulations as it deems necessary respecting the establishment and operation of a scheme of unemployment insurance for self-employed persons engaged in fishing, including regulations
>
> (a) including as a self-employed person engaged in fishing any person engaged in any activity or occupation related or incidental to fishing;

It broadens the scope for those who may receive unemployment insurance because it includes those who are engaged in activities related to fishing. Therefore, it does broaden the scope. The NDP seems to prefer to ignore that.

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 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Criminal Code—Pornography—Inquiry respecting ministerial action—introduction of legislation—definition of obscenity; the Hon. Member for Western Arctic (Mr. Nickerson)—Northern Affairs—Northern Canada Power Commission—committee recommendations—price of

electricity supplied to Pine Point mines; the Hon. Member for Portage-Marquette (Mr. Mayer)—Western Grain Stabilization Act—Request for earlier payout provision.

GOVERNMENT ORDERS

[*English*]

UNEMPLOYMENT INSURANCE ACT, 1971 (NO. 3)

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Axworthy that Bill C-156, An Act to amend the Unemployment Insurance Act, 1971 (No. 3) be read the second time and referred to a Committee of the Whole.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I am pleased to have this opportunity to speak briefly to this Bill. Before speaking to the Bill specifically, I want to associate myself with the remarks of the Hon. Member for Northumberland-Miramichi (Mr. Dionne) with respect to the current practice under the regulations of the unemployment insurance office in Orillia and Midland, clamping down with vengeance unseen anywhere else upon poor, unsuspecting constituents of mine who are laid off. Of their own volition they took a course and then found that the bureaucratic weight of the unemployment Insurance Commission came crashing down on them. Because the Commission cannot find them a job, because they had the gumption and the initiative to take a course to improve themselves, the bureaucrats in the Commission can find them unavailable for work and they are cut off unemployment insurance payments.

I share with the Hon. Member for Northumberland-Miramichi the abhorrence for this system and regulation. I urge the Minister to take a hard look at Canadians in every constituency who are trying to improve themselves and cannot find work. They find that the bureaucrats have an answer when they go to take a course, but no answer when it comes to finding a job.

I am pleased to speak to this Bill because for some time it has bothered me that discrimination exists in the present legislation whereby parents of adopted children do not have the same rights as natural parents. This Bill will change that. It will eliminate discrimination against an adoptive parent. Also, and I am in favour of this, it will repeal the rule which states that a woman must have worked ten weeks around the time of conception to be eligible for benefits. It will repeal the section which prevents a pregnant woman from getting regular benefits or sickness benefits in the weeks surrounding the birth of a child.

I support that concept entirely. In 1982 I moved a motion under Standing Order 43 on the floor of the House. I urged the Government to adopt the recommendations of the Task Force on Unemployment Insurance which came down in July, 1981. I said that in the interest of equity and fairness, maternity benefits under the Unemployment Insurance Act should be extended to newly adoptive parents. Parents who adopt children face the same physical, mental, social and economic adjustments as natural parents. They often do not have advance notice of the date of adoption. I am pleased the Government has finally brought in this legislation to correct that discrimination.

I have received letters on this. The interest comes from my riding. In 1980 I received a letter from a person in Orillia who felt that it was unfair and discriminatory that adoptive parents do not have the same privileges as natural parents. The St. Columbkille's Catholic Women's League has urged me to push this. They state that as far as that organization is concerned, adoptive parents should receive maternity benefits under unemployment insurance in the same way as natural parents. I put this on the record knowing that in Ontario, the Children's Aid Society requires that adoptive parents have six months to get used to parenthood, taking care of an adopted child and helping to bring about the natural family. I have talked with several friends who have adopted children. I know there is an adjustment period much the same as any natural parent goes through.

I spoke only to those parts of the Bill which are of concern to me. They are the ones I have mentioned. My Party is in favour of this legislation. I am pleased that the Government has finally seen fit to eliminate this discrimination which should never have occurred.

• (1650)

[*Translation*]

Mrs. Eva Côté (Rimouski-Témiscouata): First of all, Mr. Speaker, I should like to commend and thank the Minister of Employment and Immigration (Mr. Axworthy) for introducing these amendments to the Unemployment Insurance Act. Some of those amendments relate directly to the situation of women in the labour force, and more particularly to maternity benefits. Since 1971, as you know, women in the labour force have been eligible for maternity benefits under the Unemployment Insurance Act, and special eligibility requirements were established at that time to facilitate the administration of this new program. I dare say that those requirements have been particularly hard for certain women, especially in ridings such as mine where there is precious little permanent employment. When the ten-week requirement had to be met, some women in the labour force did find themselves in a predicament, and that is why I commend the Minister for doing away with the ten-week provision. It is true that that provision had been unfair to some women, particularly those who had been working for some time and were unfortunately forced to change jobs. They were left in a difficult situation.

The repeal of the provisions of Section 46 is the second good news. Under that section, women were not eligible for unemployment insurance benefits, including standard benefits or sickness benefits for a given period of time. On the basis of a

fancy formula, it had been decided that pregnant women would not be eligible for unemployment insurance benefits between the eighth and sixth weeks before the expected delivery date. That provision has now been repealed. As any other unemployment insurance applicant, a woman will now have the right to apply for standard benefits or for sickness benefits during a certain period of time.

The other news concerns parents, natural mothers. With respect to adoptions, my colleagues and I are pleased with the new provision under which either parent would be eligible for standard unemployment insurance benefits, or for sickness benefits during 15 weeks, to make it easier indeed to welcome the arrival of a new family member under the best conditions.

Mr. Speaker, we all know how important the family situation is. In times of economic hardships—and I hope better times are coming—parents find it difficult to accept a new dependent, either through birth or adoption. Families will henceforth have a fighting chance thanks to the new unemployment insurance legislation. Once again, I thank the Minister for introducing amendments which, in my opinion, will greatly benefit the whole population.

[*English*]

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I appreciate being afforded the opportunity to put some concerns about the Bill which deals with the Unemployment Insurance Act before the House. We have been attempting to do that to some extent today and we were wondering if we would have the opportunity to do so. I would particularly like to point out some concerns that we have regarding fishermen.

It is difficult to vote against a Bill which includes some very positive aspects in terms of maternity leave, adoptive parent provisions and variable entrance requirements, but nonetheless, it is important to deal in this debate with concerns about the provisions for fishermen. We all know that these concerns were brought about because of a court decision regarding Vicky Silk. That decision brought into question all the provisions of the Unemployment Insurance Act as it pertains to fishermen and their special benefits under the Act.

While we appreciate the very positive aspects of this Bill, we are not that happy with it. I want to express why we are not happy with some of the provisions that are outlined in Section 146 of the amendments to the Unemployment Insurance Act.

In handing down its decision in March, the Supreme Court created much confusion within the fishing community. Fishermen are obviously very concerned about how the decision would affect their unemployment insurance claims. Because of the nature of their industry, unemployment insurance is a very large factor in the incomes of many fishermen. Their livelihoods could be very seriously affected by that decision. While we appreciate the concern on the part of the Government to restore some of the powers under the Unemployment Insurance Act through this amendment, we are concerned that there was not a great deal of input from the concerned fishermen into the drafting of this report, nor very much input from fishermen regarding what kind of regulations might come under this provision. I see that the Hon. Minister is raising his eyebrows. Maybe we will be able to clarify some of these issues in Committee of the Whole.

Mr. Axworthy: Has the Hon. Member not heard of the Kirby Task Force?

Mr. Miller: Yes, we have certainly heard of the Kirby Task Force and we have heard of many other kinds of representations made to the Minister by fishermen's organizations that have yet to be brought in under regulation and which could have been brought in under regulation in the past two years if the Minister and the Unemployment Insurance Commission had been sincere about addressing the concerns of fishermen. That is what concerns us, Mr. Speaker.

The concern that we have is that the provision in the regulations is only as good as the faith and the willingness on behalf of the Unemployment Insurance Commission and the Government. The changes are not minor. Changes provided under this Act could substantially change unemployment insurance benefits in the fishing industry and there is nothing to indicate what concerns the Minister is addressing other than a simple press report.

The United Fishermen's Allied Workers' Union in British Columbia, the largest union representing fishermen, is very concerned about this legislation. I think that its concern stems from its understanding of the Bill's implications in the short time in which it had access to this Bill. Only two weeks ago, on May 18, the Government indicated what some of the amendments under the Unemployment Insurance Act would be. Fishermen have not had the opportunity to meet with their organizations and look at the implications of these amendments, nor have they had the opportunity to make representations to the Unemployment Insurance Commission or any parliamentary committee about the concerns that they have been expressing for a number of years. I believe that those concerns must be expressed, but because of the shortened length of debate time for this Bill and because it is very important that some of the provisions in it are passed before June 4, fishermen will not be afforded the opportunity to have the input that they require in order to meet some of their concerns.

One concern that I think I share with the fishermen is that in the fishing industry at this time, an industry which is under a certain amount of pressure in terms of fishing, particularly on the West Coast, the length of the fishing season is being shortened all the time. That is in regard to conserving stocks and the amount of time in which people are allowed to fish. The amount of time that shore workers have to work in plants is being shortened all the time. Yet we see no indication that the entrance requirements for fishermen will be reduced.

Fishermen in British Columbia have made representations to the Government in the past to reduce the required number of weeks to eight weeks if possible, and there has been no indication that the regulations will deal with this concern. It is a sincere concern that fishermen have. Not only do they have a

restricted season, but as we on both coasts know, they are also limited by the kind of weather that they can work in, by breakdowns in equipment, and by scarcity of fish. These limitations do not allow fishermen the time necessary to qualify for benefits. Both on the East Coast and the West Coast the obvious concern will be for the number of weeks that will be required to qualify for unemployment insurance.

• (1700)

The Minister of Employment and Immigration (Mr. Axworthy) represents the inland waters area and has indicated that there is going to be some change in the regulations which will affect the incomes of fishermen in Manitoba and Saskatchewan who are winter fishermen and therefore do not come under the normal fishing season from March to November. These fishermen are penalized because they need 20 weeks for a new claim and it is very difficult to get that in those Provinces because of ice conditions or lack of ice depth in those lakes in Manitoba and Saskatchewan.

The changes in the Act seem to provide the opportunity to address that problem, but we have no commitment from the Government that it will happen. Fishermen made representations for changes as far back as August, 1981, and the Minister said that his officials were studying the program and were aware of the problem. Now, in June, 1983, we have a promise that fishermen's concerns will be met. This Party is not satisfied that promises through regulations are something that we can put faith in. Despite what the Conservative Party may feel, we think some things should be changed in the Bill to guarantee fishermen access to unemployment insurance at any time of the year, whether in the winter season or what is the normal season for most Canadian fishermen, and those weeks should be considered as insurable weeks for UIC benefits. If our amendments are accepted in Committee of the Whole this is what they will attempt to do.

We have other recommendations to move which will allow fishermen to collect unemployment insurance benefits for any period of the year during which they have an insurable claim. At the moment, the seasonal fishermen in Manitoba whose season is in the winter months are not eligible from May 15 until the end of November under the Act. They find that they are able to collect only six weeks, and then when they get into the normal fishing season they are disqualified despite having paid into the fund over the winter months.

We are not pleased that this portion of the Bill was introduced in this way. There are some very serious and sincere concerns in the fishing industry. One day for debate at all stages of the Bill is not sufficient for us to express the concerns of fishermen and allow them to have additional input. They have only had two weeks to react to this proposal and in many cases have had no opportinunity to meet with their membership because they are out fishing.

Because there is so little time for debate, we would like to see these provisions proceed expeditiously. I suggest that the Government and the Official Opposition look seriously at the changes in the Act so that fishermen are satisfied that they would be protected in insurable weeks and benefit weeks.

I also urge the Minister of Employment and Immigration and the Minister of Fisheries and Oceans (Mr. De Bané) to have further consultations with fishermen before regulations that may adversely affect fishermen are implemented.

We can see the benefit of legislation that will allow the Unemployment Insurance Commission to react quickly to the needs of fishermen, but we are not too sure that the Government is willing to meet those needs. The secret of developing a good unemployment insurance scheme for fishermen is greater consultation with them and a willingness to understand their specific problems and the problems created by the Department of Fisheries and Oceans as it imposes greater regulation. The Fisheries Act is arbitrary and results in a lot of controversy in the industry.

I urge the Minister to look at the proposals the fishermen will make to him. I think this Act will provide him an opportunity to put those proposals into place very quickly. We would prefer more provision for protection for unemployment insurance, and I am sure that when fishermen have a chance to respond to the Bill, they will have some comments to make along that line.

[*Translation*]

Mr. Herb Breau (Gloucester): Mr. Speaker, Bill C-156 has given us an opportunity to discuss a number of important questions in connection with the Unemployment Insurance Program. I am supporting this Bill because I believe it will improve conditions for many unemployment insurance recipients, and I am pleased to see that we have the consent of the House today for passing all stages of the Bill.

Regarding the changes proposed by the Kirby Task Force with respect to unemployment insurance premiums paid by fishermen, the Bill will enable the Government to make regulations authorizing fishermen to select the 10 best weeks among the 15 weeks in which they earn income from fishing in order to calculate their average earnings for the purposes of unemployment insurance benefits. I agree with this recommendation, but I believe that the recommendation by the Kirby Task Force is not entirely satisfactory because it does not mention the effect it will have on workers in fish processing factories. I realize it is impossible in the latter case to change the Act as quickly as in the case of fishermen, because there, the statutory basis of the Unemployment Insurance Program is entirely different, and changes can be made by Order in Council or by a single Cabinet decision. If we want to change anything that concerns ordinary unemployment, we must change the Act according to the same procedure followed in other cases. However, I suppose the Minister is aware of this point, because workers in fish processing plants have been complaining for a long time, and I know that Members on all sides of the House who have fish processing plants in their ridings, as well as related industries, are aware that usually in the fall, especially in the case of herring and groundfish when

the catch situation is either feast or famine, workers in fish processing plants—even before these changes—were losing a lot on their unemployment insurance benefits because they were sometimes on and then off again for two or three days, and this was on a very irregular basis. At the end of the season, when the weather was bad, and especially in the case of herring and groundfish caught along the coast, not by big trawlers, in the case of groundfish, but along the coast, especially with gill nets or lines, processing plant workers could expect a drop in their average earnings which would then be reflected in their unemployment insurance benefits throughout the winter.

Although the proposed changes will improve the situation for fishermen by letting them select their 10 best weeks out of 15, there will be no benefit to processing plant workers and fishermen on the contrary. I say this because fishermen will now have an incentive to go out, and that is all right, even if they can only do so one or two days a week if the weather has been bad, while the worker in the processing plant will be called back to work to process the fish, and as a result, he is going to be worse off. I raised this matter with the Minister of Employment and Immigration (Mr. Axworthy), and I hope he will soon proceed with a study of the impact this will have on fish processing plants and that it will not be long before changes will be introduced which, I feel, should not necessarily apply only to the fishing industry. I know that the same problem exists in other industries that are affected by weather, such as peat harvesting and sometimes the lumber industry, especially when there have been extensive forest fires. I would like to see the Act changed to allow the Minister some flexibility in designating, in certain cases, specific industries or regions where there has been a particular weather problem or when there has been a forest fire or a dry spell in the forest that has prevented lumberjacks from working for extended periods of time. Mr. Speaker, there is another problem which I will have to mention, although it is not the subject-matter of this Bill. I share the concern which the Hon. Member for Northumberland-Miramichi (Mr. Dionne) and other Hon. Members have expressed about the problem of "assurability" of the job under the existing legislation. On several occasions, I have discussed this problem with the Minister which I feel is both very serious and complex especially because there are some 27 or 28 applicants in my riding who have appealed the negative decisions rendered in their case, construction workers doing minor housing repairs; their "assurability" has been questioned after the fact by the Department of National Revenue, in some cases up to three years after the employment had been terminated. The result is that after many appeals at various stages, they are still faced with "overpayments".

I should like to remind the House of a decision which was rendered on February 6, 1980 by Hon. Justice Dubinsky, a current judge of the Federal Court of Canada, at a time when he was sitting as an umpire to deal with the appeal of a Mr. Childs, from Western Bay, Conception Bay, in Newfoundland. Mr. Speaker, I should like to quote part of Justice Dubinsky's decision, for it implies that we have a moral responsibility in connection with this matter and I quote:

• (1710)

[*English*]

The Appellant has been overpaid to a large amount. He is married and has four children, three of whom are in school. He owns his home at Western Bay, Conception Bay, Newfoundland, but he has no bonds, securities of any sort and his bank account does not exceed $200.00. I am satisfied beyond any doubt that to have him repay the overpayment would cause undue hardship for him and his family. I, therefore, feel that consideration should be given to him under the provisions of Section 175(1)(e)(ii) of the Regulations, particularly since he was allowed to receive benefits for a long time—

This is where the moral obligation comes in, Mr. Speaker.

—without there being question and, moreover, because his actions herein were not deliberately done to defraud the Commission.

The judge goes on to indicate that the Commission has the authority to write off these payments but that it has been impossible because of the present law. I am told that if it did this, it would mean that many overpayments by the Government would also go uncollected. I am not sure that the other overpayments by the Government have the same effect on people. Any Hon. Member from a rural area of the country has lived with this problem, I am told by a lot of them, and the Minister has looked at different options as to how we could solve this problem.

The Hon. Member for Northumberland-Miramichi (Mr. Dionne) has suggested that the whole question of insurability should come back under the law to the Unemployment Insurance Commission. I could live with that. However, I am told that that creates incredible problems. The Minister has agreed in a personal conversation with me—and I would ask all Hon. Members to support this initiative—to refer this whole question of insurability of employment to the committee, either the Standing Committee on Labour, Manpower and Immigration, or a special committee of the House, with a short term of reference, in order that Hon. Members can deal with this problem and come up with an option which would be acceptable.

The effect of this, Mr. Speaker, is that people have had their eligibility or insurability of employment questioned after the fact. They were working for an employer in an activity which they thought was legitimate and which they thought was insurable. They then found out that it was not. The employer is home free. He has no responsibility under the law. But the claimant then is classified as not having been in an insurable employment, and all of the benefits he has received become due and payable to the Government as an overpayment. In order to have them written off, according to the present law, one has to show "undue hardship", and that is practically impossible. To prove undue hardship under the present law one would have to lose everything he or she has. This is not acceptable.

It is incredible that we would have a system which would let this kind of thing go on. In my view, when a person is working

bona fide, and when it is shown that there was no attempt to defraud the Commission—because in some cases there are, inevitably—in no way should these people be asked, threatened or told that they owe money to the Crown, as in the case of the decision of Judge Dubinsky who said there was no attempt to defraud the Commission. If the person was well intentioned, the employer was well intentioned, and they both thought the employment was insurable, then the system should accept the responsibility of that and the onus should not be on the worker, *post factum*, two or three years after the fact to prove that he or she was eligible. We should say, "Okay, that kind of employment will no longer be insurable, but because of what happened in the past, a poor defenseless claimant should not have to repay that money".

Therefore, Mr. Speaker, I hope that the Minister will refer this to a committee of the House, which will come forward with an acceptable compromise which will do away with this incredible injustice, in many cases to defenseless people who are seen as having to repay the Crown thousands of dollars because they were put in a situation where the employment they had two or three years previously was judged to be not insurable.

Mr. McGrath: Mr. Speaker, I listened to the hon. gentleman with great interest. I would just like to make sure I understand him. Is he telling the House he has received an assurance from the Minister that he will in fact bring in a suitable reference to the Standing Committee, or a standing committee, so that this matter, which I agree with him is a grave injustice, can be properly addressed and we can hear witnesses and make a recommendation?

Mr. Breau: Mr. Speaker, I do not like to interpret for the Minister what his position is, and the Hon. Member knows that I should not do that. What the Minister has indicated to me is that he found that the reference to a committee, where Hon. Members from all Parties could come to an acceptable option, seemed to him to be a good means to deal with this. Whether he is ready to make a commitment to do it or when he would do it, I do not know. I can just express the hope that this will be done. The Minister has agreed personally with me that this would be a good means to deal with this very complex problem.

As the Hon. Member for St. John's East (Mr. McGrath) is the one who asked this question, I am sure he will understand also the impact of the other problem I raised, the impact of the Kirby recommendations on fish plant workers. It may be also that some industries which are susceptible to weather, like the wood industry, peat moss and fishing, may be a good subject to be sent to a committee for special study because it is very complex, and Hon. Members could come to an agreement before a Bill is presented to the House.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I am very pleased to be able to take part in this debate on improvements to the unemployment insurance system. I recall having lobbied the current Minister, and indeed other Ministers, on the particular aspects of maternity benefits, which is what I want to address today. I remember lobbying even a Conservative Minister on this subject, and it is pleasant to see that resistance eventually declined until we finally moved to the stage of receiving acceptance in principle. Then the issue stalled while the committee examined the question, but now we actually have the legislation.

• (1720)

First of all, let me deal with the subject of adoptive parents. We are all very pleased to see these new measures. Our Party has urged them for years, and my colleague, the Hon. Member for Regina West (Mr. Benjamin), recently had his Private Members' Bill on this issue debated. The measures are long overdue and we are very pleased to see them.

One of the good provisions is that either parent can take leave to look after the new child. Most of the time the leave will probably be taken by the mother, but the option is there for the father. However, what is not yet in the legislation is the possibility of the leave being shared by both parents. There are of course many couples where the child care tasks could be shared by both and the parents would prefer to do it that way. Our system is still unduly rigid in this respect and it is something which should be amended. It is a concern of the women's movement that life be better organized to allow for the combination of paid work and child care. In the long term we want to see a shorter work week so that both parents can do this. In the question immediately before us of adoptive leave, surely it would be very reasonable to see that both parents could share in that work. We should be facilitating the sharing of child care between parents when they want it.

This Bill, Mr. Speaker, eliminates a number of discriminatory sections which should never have been law in the first place and which have been an embarrassment to women. A large number of women were actually denied claims because of the additional requirements they had to meet to get maternity benefits. The magic ten rule is one that we are all very pleased to see go. It has taken a long time. It was based on a very insulting view of women in the first place, that an unemployed woman was sitting around idle until she became pregnant, and then went out to get a job so she would be able to take maternity leave. That is probably something which never happened in the first place and certainly should not have been the basis for legislation. It is very good to see that section go.

There will be more flexibility in the claim period. This is certainly a very welcome reform. The prediction of delivery dates is of course always difficult. Babies sometimes have their own timetables which do not coincide with those of their doctors or, indeed, of the Unemployment Insurance Commission. So we are pleased to see this new flexibility in the legislation.

The discriminatory provisions in Section 46, which did not allow women to claim regular unemployment insurance or sickness benefits during the period of pregnancy or after birth is of course something that should never have been in the legislation. We are very pleased to see it go. This is the Section

that Stella Bliss claimed was discriminatory under the Canadian Bill of Rights. She lost her claim. I do not think we can discuss Bill C-156 without remembering and indeed saluting Stella Bliss. The Hon. Member for Kingston and The Islands (Miss MacDonald) has recounted some of the judicial horrors of this case. It is certainly a model of erroneous judicial reasoning and should be required reading for future judges in our courts. It will go down with Murdoch, the Person's case, Lavalle and Bedard as horrors that Canadians ought to be embarrassed about.

Let me just recall a few points in this case, Mr. Speaker, Bliss first lost her case to a board of referees, but she won on appeal on a ruling by a federal court judge who was sitting as an umpire under the Unemployment Insurance Act. The Attorney General then appealed to the Federal Court of Appeal. So here we see our own Government's Department of Justice appealing a case of unequal rights of women. We have had far too many cases of this before, and we are hoping that with the new Charter of Rights the Government will defend women in equality cases and not work against them. The case then went up to the Federal Court of Appeal and finally up to the Supreme Court of Canada. It was only decided in 1978, so it is not a long time ago. I think it is important for us to keep these cases in mind. We still have to watch both our courts and the Ministry of Justice.

[*Translation*]

Mrs. Stella Bliss should be congratulated and thanked for suing the Government for the discriminatory measures against women with unemployment insurance and maternity leave. Unfortunately, Mrs. Bliss lost her claim. The Supreme Court of Canada ruled that it was not the law that discriminated against women, but nature, itself, as though pregnancy were a sickness and even a chronic illness that prevented women from working. After that ruling, the women's movement in Canada fought against this discriminatory legislation and feminist groups called for the elimination of those discriminatory measures. As can be seen today, their lobbying was successful. It took us years, but we have won!

[*English*]

However, what remains? We need a comprehensive parental leave scheme. Indeed, a recent poll showed that 61 per cent of Canadians are in favour of fully paid maternity leave. That is certainly something we have not reached as yet. We need a comprehensive scheme with both a longer number of paid weeks, with options for unpaid leave as well, and a higher rate of pay. In the meantime, further modest improvements could certainly be advanced. We could eliminate the two weeks waiting period, for example. This is an anomaly in the case of maternity leave. It is there to encourage an unemployed worker to go out immediately and look for a job. It is wholly inappropriate in the case of someone expecting to have a child or who has just recently given birth. This would cost money, and therefore it is not possible for the Opposition to move an amendment, but it is something which should be addressed.

Another loophole in the law which affects women is that a woman cannot claim maternity benefits if she is on strike. Her union could go on strike the day before she gives birth, for example, and she would be disentitled to maternity benefits. That is very inappropriate in her circumstances.

However, there is another reform which would not add to the costs and on which we should act today. That would be to permit either parent to take leave after the birth of the child. Clearly only women can give birth, but after the birth the father could be looking after the child, or both parents could be looking after the child. A growing number of couples do want to these responsibilities, and we should be introducing this flexibility into the legislation.

[*Translation*]

Some parents want to share the responsibility of caring for their children. This is allowed in several European countries, such as Sweden and Finland. After the birth of the child, either the father or the mother can take parental leave or both parents can share it. Why not in Canada? We are not suggesting an extension of such leave, but rather a reform, and what we are suggesting will cost nothing. The matter of further improvements to the system is something else that will require the co-operation of the federal and provincial Governments as well as unions and employers. We do not intend to deal with this issue today, but we hope that the Government will address it. For the moment, why not support the useful and reasonable reforms we are suggesting, such as allowing both parents to share the parental leave?

[*English*]

My Party will be presenting amendments in Committee of the Whole on this point. We support the amendments the Government has introduced today. They are welcome and we are very pleased to see them. We hope the Government and the Conservatives as well will support the amendments we will be introducing.

Mrs. Jennifer Cossitt (Leeds-Grenville): Mr. Speaker, I am more than pleased today to have the opportunity to add my comments to the debate on Bill C-156 and to discuss some of the necessary amendments that will bring about a greater equity with respect to claimants qualifying for unemployment insurance benefits.

The basic concept of unemployment insurance, the original program, was established in 1940 and was designed to do two things, first, to provide income protection for workers suffering temporary income interruptions and, second, to facilitate the best possible match between unemployed workers and available jobs. In other words, it was designed to promote the economic and social security of workers. It was recognized that the employed needed to have a greater sense of security, a safety net to safeguard against the dehumanizing effects of the Great Depression. I was indeed very fortunate, because of my age, not to have experienced the frustration, hunger and helplessness faced by millions of people all around the world during the Depression. No one should ever have to be faced with those hardships again but, unfortunately, millions of people are faced with them. In the very grave economic times

at present, one sees how this legislation has been most effective in helping these people.

• (1730)

Since the Great Depression, Canada's economic capacity grew and became more stable. The increase in the labour force was meeting the expanding needs of industry. As our population grew, the demand for goods and services also grew. It seemed that this enphoria of economic growth would be never-ending. Unfortunately, this was not the case. Canada's economy has been on a steady decline, to the point at which we are in the midst of the worse recession since those dark days of the Depression. Over this past decade, as a direct result of Canada's economic demise brought on by a Government which felt it could spend with abandon, without any sense of control, there has been the need to meet the ever-increasing demands on the safety nets which were put in place to support Canadians during economic hard times. Amendments to the Unemployment Insurance Act comprise just one area where revision has become necessary to meet those demands.

There has been much criticism with respect to the Unemployment Insurance Fund indicating that it has provided a disincentive to workers to seek employment. This criticism might have had some merit in past years, at a time when employment opportunities were plentiful in our economy; but today, at a time when employment has never before been more difficult to find, with unemployment at a rate of over 12 per cent, this criticism does not hold true.

As the economic times change, so has legislation changed to protect the needs of Canada's citizens, be it through the need to encompass a greater degree of flexibility or to provide positive incentives for economic security. Over the past few years, as the country has attempted to weather the economic recession, Canadians have witnessed the effects of a declining labour force. Added to this, we are also confronted with the headlines of the ill effects of high technology, of how this new information society will displace millions of workers in the years ahead no matter how much the economy improves.

We know all too well the burden upon our society of unemployment rates of 12 per cent and 13 per cent, the despair of the unemployed, the rising hopelessness among our youth for whom the rate is already over 20 per cent. We know of the increasing incidence of family violence, alcoholism, delinquency and crime. We dare not contemplate the effects of another 5 per cent unemployed, yet unless we face up to the challenges posed by the new technology, that is precisely what we must expect and be prepared to accept.

There are both threats and opportunities associated with the evolution of the new technology. We have heard warnings of the dangers and the challenges which lie ahead. We must heed those warnings and meet those challenges. This has become more evident with respect to producing the skilled labour and personnel to meet the needs of the new technology.

Statistics have shown that women will be bearing the brunt of the new technology as, more and more, computers replace the jobs currently held by women. We must be prepared to address the problem by meeting the needs for retraining and education.

The proportion of women in the growth of the labour force increased dramatically from 1940 to 1980, as it became necessary to have two incomes per family and as more women became single parents. We have seen an increase in the number of women in the labour force from under one million in 1940 to almost five million in 1980. Fifty per cent of working age women, those between the ages of 25 to 54, are working, and 66 per cent of those women are married. By 1990, it is expected that 75 per cent of working age women will be in the labour force.

If we consider the historical perspective of women in the labour force, we will see where women have traditionally occupied the lower paying jobs. The service industry, which employs a greater percentage of women than other industries, will be directly affected by the age of technology, and an even greater burden will be placed on the shoulders of women, necessitating the need for economic protection.

We are witnessing change in the roles of the husband and wife as more and more women are being recognized for their valid contributions to society outside the home. Indeed, it is becoming more common to find that the wife is bringing home the larger income and, in some cases, the only income.

We have just come through a decade in which it became increasingly necessary for both partners in the labour force to support the family. With the high cost of mortgages, rents, clothing and food continuing to rise, the burden of providing the necessities of life is falling on the shoulders of women as well as their husbands. Women have also had to enter the labour force out of necessity because many men no longer have the security of permanent, long-term employment. In many areas, such as the mining industry, where hundreds of men were laid off, it has become the responsibility of the wife to bring home the family income.

With these changes in the family structure and the labour force, the need for revisions to existing legislation must be considered in order to keep pace with the demands of a changing society. An area where I feel existing legislation has been most discriminatory and is in need of change involves unemployment insurance benefits with respect to natural and adoptive mothers. The Act does not discriminate with respect to persons in the labour force making contributions to the Unemployment Insurance Fund, requiring that both men and women contribute to the fund in line with their earning capacity. However, the inequity occurs when it becomes necessary to collect benefits from the fund.

Claimants for sick benefits must only prove that they have worked for 20 weeks in the last year, but women applying for maternity benefits are required to meet a set of complex criteria which almost takes a legal mind to understand. At long last, the Government has finally come to terms with the necessity of making the eligibility requirements for natural mothers and adoptive parents more equitable.

We on this side of the House have seen this need for many years and I myself have dealt with many cases where this inequity has arisen. Having a family is a shared responsibility of both mother and father. If we are to encourage planned parenthood, then the Government must also share in the responsibility, assuring women that they will be treated equally and be equally protected by our safety nets.

The changes which are proposed to the Unemployment Insurance Act would simplify what has fast become an administrative nightmare with respect to collecting maternity benefits. I ask Your Honour if you have ever tried to explain to an expectant mother why she cannot collect maternity benefits when she meets the requirements for a major attachment to the work-force, having the necessary 20 insured weeks, but does not have the "magic ten" to qualify. It is almost impossible to make sense out of this particular section of the legislation.

What is meant by the "magic ten" is that a woman must have conceived between the thirtieth and fiftieth week prior to the expected date of her confinement. In other words, she is required to have worked for at least ten weeks around the time of conception. This requirement, I feel, is absolutely ludicrous. A woman may have had a long working history and been a major and consistent member of the labour force. Because of circumstances beyond her control, she may have been out of the labour force for more than the ten weeks during this unique period between the thirtieth and fiftieth week prior to her confinement. Consequently, she would not qualify for maternity benefits. There are hundreds of women who have had well over the required 20 weeks which would give qualification for sick benefits but who are missing the "magic ten" and therefore do not qualify for maternity benefits.

An even more blatant example of discrimination against women is that of the present denial of benefits to adoptive mothers. In all cases where an adoption is planned, the parents must provide proof to the adoption agency that they are financially secure and can provide an adequate, secure home for the new child. Women in this category, who have had a longstanding and major attachment to the work-force and who suffer an interruption of earnings in order to be home with the new baby, as is required by adoptive authorities, especially here in Ontario where it is a requirement that one must be at home for a period of six months, cannot collect unemployment insurance benefits during this interruption.

In the majority of cases of adopting parents, the mother has been working for a number of years while trying to conceive a child. When the decision to adopt is made, she will have been well established in the work force. However, under present regulations, she will have to give up the seniority of all those years of work. In effect, she is being punished because she cannot have children naturally and therefore cannot collect maternity benefits. She is not only denied the experience of bearing a child for various reasons but is also being denied the income protection that is afforded to natural mothers.

• (1740)

As I said at the outset, the program was initially set up to provide income protection for workers suffering temporary income interruptions. I have outlined examples of blatant discrimination in its application toward women with respect to their contributions to the labour force, to the family unit and to society. As legislation was introduced and passed to pay benefits to those members of the labour force who have suffered temporary interruptions of earnings, those benefits must be made available to both men and women in a fair and equitable manner without discrimination.

Today we are debating the adoption of legislation and amendments to the Act that will provide a more fair and equitable payment to all concerned. I thank you for the opportunity to debate today, Mr. Speaker.

Mr. McGrath: Mr. Speaker, I rise on a point of order. Before the House goes into Committee of the Whole, there has been consultation and agreement that in order to make up for some of the time lost today in the taking of a division, we would sit until 6.30 p.m. so that we could complete all stages of the Bill. I think you will find that there is agreement to that.

Mr. Pinard: Mr. Speaker, we had discussed among House Leaders yesterday that such time could have been recuperated during the lunch hour if it was asked for. It is now 5.40 p.m. I understand there have been discussions among various Members. I will not object to our sitting until 6.30, but it would not be to recuperate the time that has been lost. It was very useful to vote ona $14.7 billion Bill a few minutes ago.

Mr. McGrath: Mr. Speaker, that is a sneaky shot across my bow which I cannot resist. I was merely trying to make the point that for one reason or another—I will not go into that—it took a little longer than usual for the division today. That cut into our time. I think there is agreement on that.

Mr. Deputy Speaker: Is there unanimous agreement that the House shall sit until 6.30?

Some Hon. Members: Agreed.

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, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Francis in the chair.

The Chairman: Order. House in Committee of the Whole on Bill C-156, an Act to amend the Unemployment Insurance Act, 19871, (No. 3.).

On Clause 1—*Qualifying weeks*

Mrs. Erola moved:

That Bill C-156, An Act to amend the Unemployment Insurance Act, 1971 (No. 3), be amended in Clause 1 by striking out lines 4 and 5 on page 1 and substituting the following:

"1. (1) Paragraph 16(1)(a) of the Unemployment Insurance Act, 1971 is repealed and the following substituted therefor:

"(a) "disentitled" means to be not entitled under section 23, 25, 29, 36, 44, 45, 54 or 55 or under a regulation:"

(2) Section 16 of the said Act is further amended by adding thereto the following subsection:

"(3) For the purposes of subsection 22(3) and section 32, the placement with a major attachment claimant, at the same or substantially the same time, of two or more children for the purpose of adoption is a single placement of a child or children for the purpose of adoption."

2. (1) All that portion of subsection 17(6) of the said Act"

The Chairman: Is it the pleasure of the House to adopt the amendment?

Mr. McGrath: Mr. Chairman, I have a question for the Minister with regard to the adoptive parents provisions contained in the amendment now before the committee. Has the Government given any consideration for the future, after we have had some experience with this, to varying the maximum benefits for adoptive parents according to the age of the child? In other words, it would not require the same amount of time to be off work for a child six years or seven years old as opposed to an infant. The argument could be made that the benefits could vary in accordance with the age of the child to a maximum age. Perhaps the Minister could enlighten us?

Mr. Axworthy: Mr. Chairman, that is clearly not the intention at the present time, as it is in the amendment. It certainly could be a matter brought up in committee once we have had some experience with the Bill and how it applies.

I think I indicated in my opening remarks that a number of issues raised by Hon. Members relate to other portions of the Unemployment Insurance Act. It is good material for examination at committee, particularly at the time when we deposit the annual report. Members will then have a chance to get into a good exchange on this issue at that time. That would certainly be a matter that we would take under advisement. If the Hon. Member wishes to raise it at that opportunity, I would be happy to have the Department do some background work on that question.

Mr. Taylor: Mr. Chairman, I believe this would be the best opportunity to ask the Minister this question. A number of parents have been waiting a long time for this particular amendment. Would he consider having it become law before January 1, 1984?

Mr. Axworthy: Mr. Chairman, I want to take this opportunity to compliment the Hon. Member on his previous initiatives. He is one of the Members of the House who has provided much strong support for this move and has been very helpful in bringing these amendments through.

The reason for the starting date is mainly administrative and technical. This is a fairly major change which requires many changes in manuals and instructions to ensure that our staff and other people are properly prepared when the order comes in. That is why we chose the January 1, 1984 date. That is the only reason.

Mr. Deans: Mr. Chairman, could the Minister explain why the Government did not extend the option to one or the other of natural parents to have benefits extended to them that are extended to parents who adopt children? Why was this given to adoptive parents and not to natural parents?

Mr. Axworthy: Mr. Chairman, it strikes me that the Hon. Member for Hamilton Mountain is about to engage in some of the points raised in his motions. I would point out that there are a number of serious concerns which we have about that. Perhaps the starting point is that individual claim is still attached to an individual. It is not attached to a family unit. In fact, I would caution Members of the New Democratic Party that they are beginning to tread on some very dangerous ground when they begin to establish the notion that unemployment insurance should be attached to a family unit. That would begin to work very seriously against the individual rights for which so many people have fought for both men and women, that they be treated as individuals. In this case the maternity claim is very clearly assigned to those women who are pregnant. Therefore the maternity claim is assigned to that particular disposition.

If those Hon. Members begin to say that they want to move into areas of parental leave, that is a very different topic, issue and piece of legislation.

Mr. Deans: Mr. Chairman, I am not actually trying to get into anything. I am trying to understand the reasons.

My understanding of the Bill is that the changes will afford to either the male or female in the case of adoption the option of taking the so-called maternity leave. You can call it whatever you like. Why would the Government see fit to allow that choice to be made in the case of adoption and not see fit to allow a similar choice to be made in the case of natural parents? That is all I am asking.

• (1750)

Some Hon. Members: Oh, oh!

An Hon. Member: That should be obvious even to you.

Mr. Deans: Let me put to you that the mother may decide not to take the benefit. She may decide, for example, that she earns the higher of the salaries of the two and she may decide to forego taking the benefit and return to work shortly after the birth, and the husband, or the male partner, may decide, because his income is less and because they cannot afford to live off the lesser income, that he will stay home and look after the child in its infancy. Now that you have all had your little laugh, why is that option not available to them? That is all I am asking.

Mr. Axworthy: Mr. Chairman, the simplest answer to the question is that it is biological.

Mr. Deans: Forget it. Sit down.

Mr. Axworthy: Only one of the sexes is capable of having children. On the question of what happened subsequent to that, they have already established a claim at that particular point in time.

Mr. Deans: They do not have to establish a claim.

Mr. Axworthy: And a claim has already been established in terms of a pregnancy. As I said to the Hon. Member for St. John's East, there are many other very important questions and I do not in any way downgrade the importance of examining the larger concept of parental need. The Government has established a group under the chairmanship of the Minister responsible for the Status of Women to look into that issue. But under the Unemployment Insurance Act it is a maternity benefit that is being established and, therefore, is being held accountable in that case.

Mr. Nickerson: Mr. Chairman, I am told that the most common circumstance under which adoptions take place within the Province of Ontario, and perhaps other Provinces too, is that when a marriage takes place between two people one or both of whom have children from a previous marriage, these people live together for a while and then decide they would like to formalize the status of children of previous marriages, and adoption proceedings then take place. Am I to understand that if this happens when they eventually get around to formally adopting the children they will then be eligible to collect unemployment insurance? Is that what the Bill is all about?

Mr. Axworthy: Mr. Chairman, I do not believe that is a circumstance under which the provisions of this Bill would apply. I think if the Hon. Member had listened to the very learned remarks of his colleague, the Hon. Member for Bow River, he would have understood very well that when an adopted child comes into the home for the first time, obviously a period of settlement must take place. It is up to that particular couple to determine which parent would be the one to stay home. That is, of course, dependent upon leave being taken and being approved by the employer, at which point all we are doing is paying the benefit. We cannot require the employer to give the leave. That is a contract between themselves and their employer, the one most amenable. If a child is adopted after having lived for several months or years in a home of a couple who have been remarried, the settlement has obviously taken place during that period of time and it would not be required. But that would be the choice of the parents. It is a voluntary choice because they would have to justify the leave taking to their employer in the circumstance.

Mr. Nickerson: Mr. Chairman, if they did take leave, and there are lots of employers who probably would be quite willing to let one of these people go for a few weeks, especially if there was not any work available at that time, would they be entitled to unemployment insurance under this Act? Can we have a yes or no answer to that question, Mr. Chairman?

Mr. Axworthy: Mr. Chairman, under the Act we are providing the right of adoptive parents to claim benefits. We will obviously be establishing certain regulations to establish that provision. We would want to ensure that there would be no abuse of it. I think we will take the Hon. Member's representations under advisement. I would not in any way want to injure the basic principle, which I think is a very important step forward.

Ms. McDonald: Mr. Chairman, would the Minister not agree that while we have in name a scheme for providing maternity benefits, in fact part of the time for maternity benefits is for the physical work in labour, which obviously only the mother of the child can do. It is also a system of parental leave for the care of the child in the first weeks after the child is born. There is certainly no biological reason why the father could not undertake that care as well as the mother. In fact, many countries do permit a sharing between the two parents. This might be a very reasonable proposal to have.

Mr. Axworthy: Mr. Chairman, I tried to indicate that at the present time the Unemployment Insurance Act has very clear provisions for maternity benefits that were established some 12 years ago.

The concept being raised by the Hon. Member for Broadview-Greenwood in relation to parental leave is a notion that is very worth-while. It should be examined and discussed. But really it is a matter for either a collective bargaining agreement, amendments to labour codes, or some other special piece of legislation. It may not inherently be established under the Unemployment Insurance Act. That is why I believe the intent is worth-while, but this is not the right place in which that debate should be entered into because it is a much broader, more far reaching concept than we are talking about in terms of the application of maternity benefits.

[*Translation*]

Mr. Cyr: Mr. Speaker, I have only one question for the Hon. Minister. In the documents annexed to his bill, it is mentioned that a claimant who is a fisherman will be able to repair or build a boat. Does this mean that he may also build and repair or build a boat. Does this mean that he may also build and repair lobster traps, nets and all the other fishing gear he uses?

Mr. Axworthy: Mr. Speaker, in reply to the question asked by the Hon. Member, I would say that this means particularly equipment used by fishermen in their work, that is boats and other means of production.

[*English*]

Mr. McGrath: Mr. Chairman, I fail to relate that intervention to the amendment that is before the committee.

The Chairman: Clause 1 is a fairly general Clause. The Hon. Member's point is well taken with regard to the amendment. The Chair has exercised a certain tolerance but the Hon. Member's point is well taken.

Shall the amendment carry?

Some Hon. Members: Agreed.

Amendment agreed to.

Clause 1 as amended agreed to.

Clause 2 agreed to.

Shall Clause 3 carry?

Mrs. Erola: I move:

That Bill C-156, be amended

(a) by adding, immediately after line 23 on page 1, the following:

"3. Subsection 22(3) of the said Act is repealed and the following substituted therefor:

"(3) Notwithstanding subsection (2), the maximum number of weeks for which initial benefit may be paid to a claimant

(a) in any benefit period for reasons of pregnancy, placement of a child or children for the purpose of adoption, prescribed illness, injury or quarantine or any combination thereof, or

(b) in respect of a single pregnancy or a single placement of a child or children for the purpose of adoption,

is fifteen."

4. Subsections 30(1) and (2) of the said Act are repealed and the following substituted therefor:

"30. (1) Notwithstanding section 25 but subject to this section, initial benefit is payable to a major attachment claimant who proves her pregnancy.

(2) Subject to subsection 22(3), initial benefit is payable to a major attachment claimant under this section for each week of unemployment in the period

(a) that begins

(i) eight weeks before the week in which her confinement is expected, or

(ii) with the week in which her confinement occurs,

whichever is the earlier; and

(b) that ends

(i) with the week immediately preceding the first week for which benefit is claimed and payable pursuant to another section of this Part, or

(ii) seventeen weeks after the later of

(A) the week in which her confinement is expected, and

(B) the week in which her confinement occurs,

whichever is the earlier."

● (1800)

5. (1) The said Act is further amended by adding thereto, immediately after section 31 thereof, the following section:

"32. (1) Notwithstanding section 25 but subject to this section, initial benefit is payable to a major attachment claimant who proves that it is reasonable for that claimant to remain at home by reason of the placement with that claimant of one or more children for the purpose of adoption pursuant to the laws governing adoption in the province in which that claimant resides.

(2) Subject to subsection 22(3), initial benefit is payable under this section for each week of unemployment in the period

(a) that begins with the week in which the child or children are actually placed with the major attachment claimant, and

(b) that ends

(i) seventeen weeks after the week in which the child or children are so placed,

(ii) with the week in which it is no longer reasonable for that claimant to remain at home for the reason referred to in subsection (1), or

(iii) with the week immediately preceding the week for which benefit is claimed and payable pursuant to another section of this Part,

whichever is the earliest.

(3) Where benefits are payable to a major attachment claimant under this section and earnings are received by that claimant for any period that falls in a week in the period described in subsection (2), the provisions of subsection 26(2) do not apply and all such earnings shall be deducted from the benefit payable for that week.

(4) Benefits shall not be paid pursuant to this section to more than one major attachment claimant in respect of a single placement of a child or children for the purpose of adoption.

(5) Where, before any benefit has been paid to a major attachment claimant in respect of a single placement of a child or children for the purpose of adoption, two insured persons with whom the child or children are placed for the purpose of adoption claim benefit under this section, no benefit shall be paid under this section until one of such claims is withdrawn."

(2) Section 32 of the said Act, as enacted by subsection (1), applies only in respect of a claimant whose benefit period begins on or after the day subsection (1) comes into force.

6. Section 36 of the said Act is repealed and the following substituted therefor:

"36. Nothwithstanding paragraph 25(b) and sections 30 and 32, a claimant is not entitled to be paid extended benefit for any working day for which he fails to prove that he was capable of and available for work and unable to obtain suitable employment."

7. Section 46 of the said Act is repealed."

(b) by renumbering clauses 2 and 3 as clauses 8 and 9.

The Chairman: The Chair has just a little problem at this point. These appear to be further amendments to Clause 1 of the Bill before us. I think they should be proposed as further amendments to Clause 1.

Mrs. Erola: I so propose it.

The Chairman: Clause 1 now becomes extended to additional subclauses as indicated.

Ms. McDonald: Mr. Chairman, I wish to move in the case of subclause 4 of the amendment:

That the amendment be amended

by adding immediately after subsection 30(2) contained therein the following subsection:

(3) After the birth of the child, either parent may take parental leave for the remaining time of the claim period, or both parents may share the parental leave, so long as the total time claimed by the two together does not exceed the total leave period provided.

I move the following amendment to subclause 5 of the amendment

That the amendment be amended

by adding immediately after subsection 32(5) contained therein the following subsection:

(6) Either adoptive parent may take parental leave for the claim period, or both parents may share parental leave for the claim period, so long as the total time claimed by the two together does not exceed the total claim period available.

I have spoken about the reasons for this already. Given the shortness of time, I will not repeat them at this point.

Mr. Axworthy: Mr. Chairman, I rise on a point of order to suggest that these amendments really run counter to the basic concept as contained in the legislation put forward by the Government. As I indicated earlier, it is really introducing a concept of parental leave which is not in relation to the notion

of maternity benefits. While I have little argument with the notion of parental leave, I do not believe that it really fits the tenor or objective of the legislation. Furthermore, I would suggest the amendment would require or engage an additional expense to the Government which is really beyond the purview of the individual Member to offer by way of amendment to this legislation. Therefore, I suggest that the particular motions cannot be entertained by the committee at this time.

The Chairman: The Chair will invite further argument on the point of order raised by the Minister.

Mr. McGrath: Mr. Chairman, I want to make it very clear that we do not necessarily oppose the intent of the amendment put forward by my friend from the NDP, but I have to make this point and make it very strongly to the Committee.

I have some doubts about the admissibility of this amendment. If the Chair rules that it is admissible, we will not vote on the amendment for two reasons.

First, it is in violation of the understanding we have with the Government. We agreed that we would pass all of the amendments presented to us by the Government in one day. It was our clear understanding that no other amendments would be entertained. That may not have been explicit, but in my view it was implicit and that was the understanding I took back to my caucus.

Second, in any event we are engaged in a one-day debate by special order of the House. I could not commit my Party to an amendment it has not had time to consider in caucus. For that reason alone I would have to abstain from voting on the amendment. In any event, I believe the case can be made, without arguing the substance of the amendment, that the amendment is in fact inadmissible in that it requires a charge against the exchequer and hence would require the usual Royal resolution or whatever.

Mr. Deans: Mr. Chairman, I would argue on two grounds that it is in fact admissible. First, contained within the amendments put forward by the Minister, there is quite clearly the option in the case of adoptive parents for either of the two to opt to collect benefits. That is quite clearly within the legislation. This is not a deviation from that principle. That principle is part of the principle of this legislation. What we are doing is saying in essence that the same principle be extended whether adopted or natural parents are involved. I would argue that there is no deviation from what we now have before us.

I admit it is a broadening of one section, but it is a broadening consistent with what is already contained within the legislation that applies to other citizens of Canada. I suggest it is wrong to give to one what you are not prepared to give to others.

On the second point, the matter of whether it entails additional expenditure, it quite clearly does not. The expenditure that we are speaking about is the exact same expenditure, but to be shared with either of the parents. We are saying that the amount of money talked about is no more and no less than the amount of money currently put forward under the Royal Proclamation, and that either of the parents should have access to the allowance.

The amount that we are talking about, both in terms of the amount of time that is to be made available and the amount of money, is quite clearly the same, involving the same expenditure. Therefore there has been no attempt made by us to increase the expenditures. In fact, Mr. Chairman, I might point out to you that it is entirely possible that we are speaking about a smaller amount of money. In fact, we could be speaking about less money than the Minister is currently putting forward.

• (1810)

I put to you, Sir, that in the case of a family where the wife earns $20,000 a year and the husband earns less, if the husband were to decide to be the parent in receipt of benefit, then he would receive benefit at a lesser amount since his entitlement would be a lesser entitlement.

I would therefore argue that we are not in any way trying to increase the expenditure of the Government. We are simply trying to make it possible for the family unit, something that all of us in the House support and that all of us think is so important for the future of the country, to make the decision for itself as to which of the two parents should stay home during that period immediately after the birth of the child. When that choice has been made by that family, the Unemployment Insurance Act should then recognize that right of choice, and having made that recognition the payment should be made to either of the parents, which ever one is designated to be the recipient.

Mr. Axworthy: Mr. Chairman, I want to thank the Hon. Member for Hamilton Mountain because I think he just made the case for suggesting that this is an inadmissible amendment. The fact of the matter is that there is no sharing principle encountered under the Adoption Act. We must talk about individual claims, and under the Adoption Act, one individual or the other can make the claim. They cannot share that claim. The Unemployment Insurance Act is totally related to individual claims for maternity benefits, sickness or regular benefits.

Hon. Members are introducing amendments which totally change the whole concept of unemployment insurance. That may be a good idea, but it is an idea that should be discussed in a different forum. Therefore, it is very clear why this amendment cannot be accepted under the Unemployment Insurance Act.

Mr. Deans: Mr. Chairman, if I may say so, the Minister is twisting my words in an attempt to gain credence. Let me put it to him that we are not suggesting any deviation at all. In fact, we want to suggest that if the Government believes that those kinds of determinations should be made by families and not by the Government, if it believes that there should be some integrity left in a family household for the husband or wife or two partners in a relationship to determine which of the two

are best suited to care for a child, then this amendment surely could never be ruled inadmissable.

Mr. Cullen: Mr. Chairman, I believe that the Hon. Member for Hamilton Mountain defeated himself at the beginning of his presentation by indicating that, in a biological situation, if the mother opted not to draw the maternity benefits then there would be no charge against the Crown. In this instance, he is offering an option which is not available in the original legislation. This would clearly create a situation that could cost more money.

The Chairman: Two arguments have been made relating to inadmissability of the sub-amendments. The first argument relates to whether or not an additional charge must fall on the Crown. The Chair has difficulty determining from the argument the net results from the point of view of an expenditure. The Chair, however, is concerned about the principle in the sub-amendment which indicates that both parents may share the parental leave. It appears to the Chair that this introduces a new principle which is not found elsewhere in the Act and does go beyond the general intent as expressed in the legislation. On that ground the Chair rules the sub-amendments not acceptable.

The question is on the further amendments to Clause 1 proposed by the Minister of State Responsible for the Status of Women.

Mr. McGrath: Before you put the question on the amendment that is now before the Committee, I would like to say what I am sure the Minister Responsible for the Status of Women would love to have said, and I am surprised she did not say it. I would like to pay tribute to Stella Bliss and all the Stella Blisses of the world—this one woman and all the other women—who had the courage to challenge the inequities and the injustices in the system, because this is really their day. I think it would be unfortunate if we were to pass this moment in Committee without paying that tribute to Stella Bliss and all the Stella Blisses of the world.

Having said that, Mr. Chairman, I now want to put a question to the Minister, without diminishing in any way our support for this amendment. My question is prompted by our concern for the state of the Unemployment Insurance Fund. Based on the experience of the past five months, the expenditure will exceed $12 billion this year. Last year it reached a record high of $8 billion. I put the question to the Hon. Minister now that I put to him in committee the other day when we were dealing with his Estimates. Can the Minister give the Committee an assurance that there will not be an increase in Unemployment Insurance premiums? In my view and in the view of my colleagues, an increase in Unemployment Insurance premiums would impose a disincentive on the private sector, expecially small business firms, to hire people because it would impose an additional tax upon them. It would also impose an additional hardship upon women who are the lower paid members of our society and who would have to pay additional Unemployment Insurance premiums.

Can the Minister first give us some idea of how much the amendments will cost in terms of additional benefits, and can he then tell us how he intends to finance them? If at the same time, he can give us an assurance that he does not anticipate an increase in the premiums, we would be very satisfied.

Mr. Axworthy: Mr. Chairman, what I can offer to the Hon. Member is the very clear commitment that we intend to maintain insurance premiums at the lowest possible level. I cannot assure him that premiums will not increase because it is not wholly my assurance to give.

I would like to explain to Members of the Committee that before we arrive at decisions about premium increases, we first undertake an examination of what the various rates both of employment and unemployment are projected to be for the third quarter of the fiscal year, what the draw on the fund has been, and what we might see as the projected deficit in 1984. On the basis of those soundings and, as was done last year, on the basis of the kind of consultations I would undertake through the Commission with business and labour, we would then make recommendations to the Minister of Finance and to Cabinet who would then have to make the final decision.

I can, however, make it very clear that it is my belief that we will not have to raise premiums substantially in the forthcoming year unless the Hon. Member for St. John's East falls into the trap that is being laid by the recommendations of some of his colleagues. In particular, I read in the paper this morning that the Hon. Member from Etobicoke is recommending a totally uncapped extension of Unemployment Insurance benefits, a move that would probably add $4 billion or $5 billion to the cost of unemployment insurance. Substantially higher premiums would be required to begin to pay for that. If the Hon. Member for St. John's East will guarantee me that he will not endorse the position taken by his colleague, the Hon. Member from Etobicoke, I will assure him that I will do my best to make sure premiums stay at a very low level.

Mr. McGrath: Mr. Chairman, that was un unfortunate misrepresentation of what I believe the Hon. Member from Etobicoke said and how it was construed in the House. Under the same principle that supported the variable entrance requirement, I think the same case can be made for extending the benefit period because we are into a deep recession and because the Government anticipates that we will be into double-digit unemployment throughout this decade and into the early part of the next. The Minister knows full well, but deliberately omitted to say, that when a person no longer receives Unemployment Insurance benefits, when he becomes an exhaustee, he still has to live, and in order to live he must subject himself to a means test to qualify for welfare.

The Minister also knows that the Government of Canada pays 50 per cent of the welfare bill under the Canada Assistance Plan. This proposal would certainly save money under the Canada Assistance Plan, it would save the money of the hard-pressed Provinces. A case could be made, albeit in another forum because this is not the day for it, to think in terms of changing the whole approach to unemployment insur-

ance to fit into the reality of the period that we are going through at the present time.

This proposal speaks to displacement as a result of high tech, the impact that it will have on women, the impact it is having on young people and how the Unemployment Insurance Act can relate to this new situation. I cannot give any assurance to the Minister, but I have every right to ask the Minister if he intends to raise premiums. I have every right to ask the Minister what in his opinion are the estimated additional charges on the Unemployment Insurance Fund that will flow from the passage of these amendments. I believe that to be a reasonable and responsible intervention, and I believe the Minister has a responsibility to deal with it in other than a facetious manner.

● (1820)

Mr. Axworthy: Mr. Chairman, far from being facetious, I was being very serious, pointing out that we take quite seriously the state of the Unemployment Insurance Fund. That is why we have given very serious consideration in the past to finding the best way of coping with those who have exhausted their benefits.

I want to point out to the Committee that while we recognize that hardships are faced by those who exhaust their benefits, a study conducted last Fall showed that on average about 6 or 8 per cent of those end up on welfare. The figures could be substantially higher—perhaps as high as 12 per cent or 13 per cent. Not everyone who exhausts benefits immediately goes on welfare. About 40 per cent go back to work within five or six weeks and some others go back to school or find some other means of support. Only a small proportion make application for welfare.

We feel that we have made a substantial offer to alleviate that problem under the NEED program which was started with $500 million. Because of the leverage we have established with the private sector and the Provinces, it will be closer to $900 million by the time we are finished. We have been able to provide well over 60,000 jobs which should be properly chanelled for those who otherwise have to make a choice. That is a way of cushioning it.

The alternative, and this is very important to the Hon. Member for St. John's East and others who have made the case, is having an open-ended commitment, and even if we had a limited 26-week extension that would place an additional cost on the Unemployment Insurance Fund of anywhere from $3 billion to $4 billion. That would have to be raised either through premiums or further Government deficit financing. We have heard many comments from the other side of the House to the effect that we should not go into further deficit financing. That is the dilemma we face and that is why it is important that we not fall into the trap of saying we should automatically extend benefits. That would be a very costly charge against the fund and the money would have to be raised either by Government borrowing or higher premiums.

I agree with the Hon. Member that the Unemployment Insurance Act must change if it is to be relevant. That is why I have suggested that we use the Standing Committee on Labour, Manpower and Immigration as a forum in which Members can make representations and where people can examine the Unemployment Insurance Act. Then when we come back to the House next time for amendments to the Act we will have had the full benefit of their representations.

Mr. Skelly: Mr. Speaker, I would like to have taken advantage of the debate on the amendment to discuss a question that might just as well have been placed under clause 3 if we were going to move ahead, but I see the clock is running out and we are about to go down the chute, as far as any further discussion is concerned. I think this is an important place to put the question of improvements to the legislation, especially if there is no objection to them in the House, which I think is illustrated by the consent that was given on the amendment.

I should like to make two comments in relation to administration of the legislation. The provisions of this Bill are obviously going to cause some further work load for the Unemployment Insurance Commission staff. The administrative burden of the Unemployment Insurance Commission offices in the regions which I represent and in others, has reached the point that they often cannot deliver service. Because of the complexity of the task, the lack of staff and training, some claimants are as much as 12 weeks behind in receiving their benefits. They are left without income for that time. Last winter the welfare system, acting on an emergency basis, was unable to provide support for them.

When the Minister says there are no additional costs that will go into the system, I wonder if he is fulfilling his responsibility to provide sufficient staff and sufficient resources and sufficient training to ensure that the additional burden and the more complicated approach to providing unemployment insurance is being dealt with in an appropriate way.

An example is the case of a great many claims of loggers and fishermen coming in at a certain time of the year as shut-downs occur. The Minister's training staff does not train unemployment insurance officers on a regular basis to evaluate those claims, which are very complex so there is a tremendous shortage of personnel who can handle these claims. This causes enormous delays.

Could the Minister give us an indication of what his Department is doing to ensure that people will not have to wait up to 12 weeks for benefits because of the more complicated provisions of the Act. What is he doing about special agents with the responsibility of dealing with large numbers of groups so that they can be moved through quickly?

The second matter I want to raise also relates to administration, and that is the access that individuals—women, adoptive parents or any other group—have to their files. Individuals in the community are being systematically denied access to their unemployment insurance files when they have questions about their entitlement or the decisions made by unemployment insurance officials. They are being told that if they want access to their files they must apply under the Freedom of

Information Act. A number of offices in the riding I represent are giving this advice to people, and it is not acceptable.

The Chairman: The Hon. Member seems to be straying a little bit from the amendments currently under discussion. I wonder if the Hon. Member could shorten his remarks a little bit.

Mr. Skelly: Mr. Chairman, the last item I want to deal with under administration is the RCMP involvement with the Unemployment Insurance Commission officials in police work and investigation.

The Chairman: The Hon. Member is going substantially beyond the scope of the amendment under discussion. I suggest that he will have to avail himself of another forum for this.

Does the Minister of Employment and Immigration care to comment?

Mr. Axworthy: Mr. Chairman, I would invite the Hon. Member to attend the next meeting of the Standing Committee on Labour, Manpower and Immigration where I will be glad to go into any discussion he wants about the Unemployment Insurance Fund.

Having regard to his concern about benefits and the duration of payout, I can tell him that we have added some 1,200 staff to the unemployment insurance offices, beginning in 1982. They have been trained and are in place. The waiting time has been reduced by several weeks. I do not expect any office in his or in other region will have the problems we had last winter.

Mr. Nickerson: Mr. Chairman, I find it almost unbelievable that the Minister cannot tell us how much this is going to cost. I am sure there must be people up in the gallery who have undertaken studies on behalf of the Department to find out how much the additional charge to the Unemployment Insurance Fund will be.

Am I correct in understanding from the amendment now before us that in one Province benefits will be payable for a period of eight weeks, and in another Province which has different regulations governing adoption the maximum period of benefits under the Act will be four weeks? How is it proposed that the matter be dealt with in those jurisdictions where no period is specified?

Mr. Axworthy: Mr. Chairman, I would point out to the Hon. Member for Western Arctic that in my opening remarks I gave the actual cost of these amendments. He can read *Hansard* tomorrow and he will get all the information he needs.

Mr. McGrath: Mr. Speaker, I have a question about the amendments dealing with fishermen, having regard to the Supreme Court decision, and I salute Vicky Silk, a Newfoundland women, who had the courage to challenge the system when it was treating her and other women unjustly. Will the Minister tell the House if the provisions of the Bill which now permit the Commission to make regulations will allow the implementation of the recommendations of the Kirby Task Force?

• (1830)

Mr. Axworthy: Mr. Chairman, it would be my intention to follow through the commitment given this morning in my opening remarks to bring forward the changes as recommended by Kirby sometime within the next week.

Mr. Miller: Mr. Chairman, I take it we are now on Clause 9?

Mr. Chairman: Clause 1 of the Bill is before us. The amendments have the effect of renumbering the clauses of the Bill, but technically we are still dealing with amendments to Clause 1.

Is the House in favour of the amendments?

Some Hon. Members: Agreed.

Mr. Chairman: Shall Clause 1 as further amended carry?

Some Hon. Members: Agreed.

Clause 1 (as amended) agreed to.

Mr. Chairman: Clause 2 has already been agreed to.

Mr. Chairman: Shall Clause 3 carry?

On Clause 3—*Fishermen*

Mr. Miller: Mr. Chairman, if we are dealing with Clause 3 now, I would like to move an amendment regarding fishermen, as follows:

That Bill C-156, An Act to amend the Unemployment Insurance Act, 1971 (No. 3), be amended in subclause 9(1) by adding immediately after the words "to that matter" where they appear in line 10 of subsection 146(1.1) thereof the following words:

"except subsections (1.2), (1.3) and (1.4)"

Those subsections are as follows:

(1.2) Notwithstanding anything in this Act, self-employed fishermen and persons engaged in any activity related to or incidental to fishing shall qualify for unemployment insurance, including, as an employer of a self-employed person engaged in fishing, any person with whom the self-employed person enters into a contractual or other commercial relationship in respect of his occupation as a self-employed person engaged in fishing.

(1.3) All weeks of employment in any activity related to or incidental to fishing by a self-employed person in the fishing industry shall qualify as weeks of insurable employment toward a claim

(1.4) All persons who establish a claim under this section shall be entitled to the full regular benefits under that claim without discrimination based on distinction between year-round fishermen and fishermen other than year-round fishermen.

The effect of these amendments would be to permit self-employed fishermen, and those actively involved in fishing activities, to claim any work weeks as insurable work weeks. They would also enable fishermen to claim benefits in any week in the year based on their claim, which would in effect resolve many of the problems of discrimination found in the fishing industry right now. I said during my comments on

these amendments that they will do what we hope the Minister might have had in mind with respect to the regulations, but we have no commitment that the regulations will deal with a discrimination in the Unemployment Insurance Act as it pertains to fishermen at this time.

The Chairman: Is the Hon. Member contending that the proposed amendment would entail no additional charge to the Treasury, because this is a requirement in order for the amendment to be acceptable?

Mr. Miller: That would be our intention, Mr. Chairman, that it would not incur any additional costs on the basis of the commitments from the Minister to deal with discrimination in the Unemployment Insurance Act as pertaining to fishermen. If he is going to deal with those discriminatory practices, he would have to include changes in the regulations to deal with the very situations we have raised here.

The Chairman: The question of non-discrimination stands on its own. However, the question I put to the Hon. Member is, would the effect of the adoption of his proposed amendments entail an additional charge to the Treasury?

Mr. Miller: Not as far as we in this Party are concerned.

The Chairman: The Chair has great difficulty accepting that argument. The Hon. Member will have to do better than that to persuade the Chair as to the admissibility of the amendments.

Mr. Miller: Mr. Chairman, in all due respect, it is simply the argument I used a moment ago. If, as the Minister explained in his speech this morning, and as others in his Party have indicated, this is going to deal with the difficulties fishermen have with unemployment insurance by regulation, then it is my contention that the changes in regulations are to cost some money, and this amendment, placing it in the Act rather than in the regulations, will not cost any more than what the Government is already proposing.

The Chairman: It seems to the Chair that the Hon. Member by his own argument is admitting that his amendment would involve an additional charge on the Treasury. Therefore it has to be ruled out of order. Is the House ready for the question?

Some Hon. Members: Question.

The Chairman: Shall Clause 3 carry?

Some Hon. Members: Agreed.

Clause 3 agreed to.

The Chairman: Shall Clause 4 carry?

On Clause 4—*Coming into force*

Mrs. Erola: With your permission, Mr. Chairman, I should just like to reply to some of the comments of the Hon. Member for St. John's East. I also intended to speak to this Bill generally. However, I feel that the Royal Commission on the Status of Women, the parliamentary task force and the "Stella Bliss" have been talking for far too long. It is time for action. Therefore, I propose:

That Clause 4 of Bill C-156 be amended by striking out lines 26 and 27 on page 3 and substituting the following.

"TRANSITIONAL

10. Where a benefit period established for a claimant begins before the day sections 4 and 7 come into force, any claim for benefit for a week of unemployment that falls in that benefit period shall, whether or not the benefit period was established before that day, be dealt with in all respects as if sections 4 and 7 had not come into force.

COMMENCEMENT

11. Section 1, 3 to 7 and 10 shall come into force on a day or days to be fixed by proclamation.

12. Sections 2, 8 and 9 shall come into force on June 4, 1983.

The Chairman: The House has heard the amendment. Shall the amendment carry?

Some Hon. Members: Agreed.

The Chairman: Shall Clause 4 as amended carry?

Some Hon. Members: Agreed.

Clause 4 as amended agreed to.

The Chairman: Shall the title carry?

Some Hon. Members: Agreed.

Mr. Skelly: Mr. Chairman, given the fact that we were discussing the administration and now we are on the title, I would like still to appeal to the Chair and to the Minister to respond to the question concerning the involvement of his Department in ongoing police work. I believe it is vital to the question of administration. I would like the Minister to respond to that. Has he sanctioned that particular relationship in the administration of the Unemployment Insurance Act, and by implication would this continue?

The Chairman: The Chair has difficulty from the point of view of procedure. A general debate, which the Hon. Member is seeking, appears to be out of order at this stage of the Bill. It is with reluctance that the Chair so rules, but my understanding of the procedure is such that I have to make that ruling.

Shall the title carry?

Mr. Skelly: Mr. Chairman, in order to respect your ruling, I wonder whether the Minister could take this as notice and be prepared to comment on it at another time?

Mr. McGrath: Mr. Chairman, I can solve the Hon. Member's problem by inviting him to attend a meeting of the Standing Committee on labour, Manpower and Immigration where he will have an opportunity to place his question and receive an answer to it. And if he cannot do it, he could do it through his colleague.

The Chairman: Shall the title carry?

Some Hon. Members: Agreed.

Title agreed to.

The Chairman: Shall the Bill carry?

Some Hon. Members: Agreed.

Bill reported as amended, read the third time and passed.

Unemployment Insurance Act

Mr. Deputy Speaker: At this time I wonder if there would be unanimous agreement to dispense with the Adjournment Debate?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It being 6.40 p.m., I do now leave the chair until 11 a.m. tomorrow.

At 6.40 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, June 3, 1983

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EXTERNAL AFFAIRS

CYPRUS—CANADIAN PEACEKEEPING TROOPS—COMMITTEE STUDY SUGGESTED

Mrs. Ursula Appolloni (York South-Weston): Madam Speaker, it is reported that on June 1 the Secretary of State for External Affairs (Mr. MacEachen) warned the UN Secretary-General, Javier Perez de Cuella, that Canada might withdraw its troops from the UN Peacekeeping Force in Cyprus. In so doing, the Secretary of State for External Affairs obviously reflected growing Canadian frustration at the apparent inability of the Turkish and the Greek Governments to reach a peaceful and equitable solution to the Cypriot problem.

Therefore, in the interest of the two disputing parties, of the Canadian public, and of the Canadian Armed Forces themselves, I propose that the question be brought to the attention of the Standing Committee on External Affairs and National Defence for further investigation and discussion, and that the same Committee be empowered to study Canada's more general role as peacekeeper.

* * *

MEDICAL CARE

CALL FOR EXAMINATION OF HOSPITAL SYSTEM

Mr. Dave Nickerson (Western Arctic): Madam Speaker, there is, in Canada, something basically sick about our medical and hospital system. There are, at one and the same time, medical facilities boarded up, medical personnel unemployed or underemployed, and people who need medical attention, particularly surgery, who are unable to obtain services or who are forced to wait for excessively long periods of time. It is not uncommon for Canadians to go to the U.S.A. for medical treatment because they are unable to obtain it here.

The Minister of National Health and Welfare (Miss Bégin) reduces, or threatens to reduce, payments to the Provinces and then, for crass political purposes, condemns her provincial counterparts when they take the only steps available to them to help defray costs.

It is time we made a serious examination of our medical and hospital system with a view to removing the distortions, inconveniences, and dangers which have become endemic within it.

* * *

THE LATE STAN ROGERS

TRIBUTE TO VICTIM OF AIR CANADA ACCIDENT

Mr. Les Benjamin (Regina West): Madam Speaker, last evening 23 people died while coming home on Flight 797 from Dallas to Toronto. Among them was Stan Rogers, who lived in and sang about all the different parts of this country of ours, who sang about the hopes and dreams, all the promise of our land. He always sang about his Canada, and the people who make it great, the farmers and fishermen, those in the industrial plants and on the northern frontier. Some of his words:

For the good times come and go, but at least there's rain

So this won't be barren ground when September rolls around.

So watch the fields behind the plow turn to straight dark rows,

Put another season's promise in the ground.

That was from "The Field Behind the Plow", for Saskatchewan grain farmers.

Some more is for workers, from "Working Joe"—for Dad:

Time was when a fella could just let time slip away,

No worries, car or telephone, just rent and food to pay . . .

But now there's just too much to do in any given day;

The car, the phone, the kiddies' shoes, too many bills to pay . . .

Oh it's sure sweet to sit at home and let time slip away,

Through tomorrow I'll be scratching through another day.

I am sure all Hon. Members of the House extend their sincere condolences to the friends and relatives, the bereaved, of those who died so tragically yesterday.

Madam Speaker: I am sure the House would want to respect those feelings but I must remind the Hon. Member, although I did let him go on, that statements under Standing Order 21 are not to be used for this particular purpose but to allow Hon. Members to make statements on issues with which they are concerned. Of course we are concerned about terrible accidents of this nature, but perhaps Hon. Members would want to refer to them at another time.

S.O. 21

UNEMPLOYMENT INSURANCE

PROVISION OF BENEFITS FOR ADOPTIVE PARENTS

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Madam Speaker, on March 30 I rose in the House of Commons to protest the inequity of Section 30(1) of the Unemployment Insurance Act. That Section required that an applicant for maternity benefits prove her pregnancy. As a consequence, adoptive parents were effectively denied the receipt of maternity benefits.

Section 30(1) was profoundly inequitable. Clearly, the general need for maternal care of the adopted newborn is as great as that required for the biological newborn to whose parents we have provided maternity benefits for many years.

As we all know, the inequity of Section 30(1) was eliminated yesterday by the passage of Bill C-156, which will provide either of the adopting parents up to 15 weeks of maternity benefits provided that he or she had met usual criteria of 20 weeks' employment in the previous 12 months.

I was particularly pleased to see the introduction, and passage by unanimous consent, of Bill C-156. I was also pleased to note an editorial, in the Edmonton *Journal,* entitled "No Less a Parent". The editorial, which was supportive of the extension of maternity benefits to adoptive parents, stated:

> Employment Minister Lloyd Axworthy should be commended for his proposal to extend maternity benefits to adoptive parents.

I agree with the Edmonton *Journal,* Madam Speaker.

* * *

FORESTRY

SPRUCE BUDWORM INFESTATION OF NEW BRUNSWICK FORESTS

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, in Canada the ravages of insect disease and fire consume almost as much forest growth as the forest industry itself.

• (1110)

Forests in New Brunswick cover 88.4 per cent of the land area. Most of this forest land, 15 million acres, is productive and represents an area equal to the combined areas of Vermont, New Hampshire and Massachussetts. The forest industry is the largest in New Brunswick, representing one-third of the employment in the manufacturing sector and 40 per cent of its output.

Direct employment in the primary and secondary sectors of the forest products industry involves some 16,000 persons, with indirect employment accounting for between 15,000 to 20,000 persons. More important is the fact that, of all sectors of the provincial economy, the forest products sector is unique in that it plays an important economic role in virtually all regions of the Province, in both rural and urban economies.

Because of the spruce budworm infestation, in southern New Brunswick in the 70s there was a loss of between six million and ten million cords of softwood. This approaches an eight-years' supply of wood for the principal consumer and employer in that area.

The House of Commons forestry committee has begun an investigation into budworm depredations in New Brunswick. I thank the Minister for this move to maintain the forest industry which is nearly 30 per cent of New Brunswick's GNP. We must recognize the fact that this must be addressed as a farm type operation, and we must reconcile the conflict of environment and forest interests. The federal Government should lead in such an effort.

* * *

LABOUR RELATIONS

GRAIN HANDLERS' DISPUTE—APPOINTMENT OF MEDIATOR URGED

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I am sure you are aware that there is a possibility of a grain port shutdown on the West Coast. In particular, there is a possibility of a lockout. Nine days ago, on May 25, I asked the Minister of Labour (Mr. Caccia) a question about the possibility of appointing a conciliation commissioner or a board to try to make sure there was no shutdown, because this is a very vital time for the shipment of grain for western Canadian farmers. We are coming to the end of a crop year. It is a very important time and we cannot afford to have any kind of a shutdown which will jeopardize the economy of western Canada. The grain trade last year, for example, gave Canada a $5 billion export crop, and this is very important for the economy as a whole.

It is very important that the Government across the way should not once again sacrifice western Canada, as it is trying to do with the Crow Bill which is before the House. If it is going to reject the suggestion of a conciliation commissioner or a conciliation board, it should look at some other ideas.

I would like to suggest to the Government that it look at the possibility to talking to both the grain handlers and the elevator companies about the feasibility of Mr. Justice Emmett Hall mediating a settlement in this particular dispute. I remind you, Madam Speaker, that Mr. Justice Emmett Hall has a good reputation. In the past he has frequently been a mediator and conciliator. He has been very successful, and I am sure he will be accepted by both Parties. I ask this because we cannot afford to have a shutdown of the grain export industry—

Madam Speaker: Order, please.

* * *

INCOME TAX

AUDIT OF PHYSICALLY HANDICAPPED PROFESSOR'S EARNINGS

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, an Associate Professor

of Sociology living in my riding, but who teaches at the University of Waterloo, is concerned over a current audit of his income tax returns for the past ten years. This young man, a PhD, has cerebral palsy, which incapacitates him as far as writing is concerned. It is impossible to complete any of his work without extra secretarial and research assistance. He is concerned with that portion of the Income Tax Act which states that an employee cannot use another employee to do his or her work.

In pursuing this audit, I would ask Revenue Canada to study Recommendation 46 of the "Obstacles" Report in which the federal Government is advised to amend the Income Tax Act which states that goods and services currently included in medical expenses deductions and which are clearly attributable to a severe, prolonged disability, be transferred to a proposed disability deduction. It further recommended that the current flat rate deduction be replaced by a disability deduction whereby a person may claim for himself the full costs of goods and services directly attributable to severe and prolonged disability. These changes would amend the Income Tax Act to offset the cost of disability, such as in the case of the Associate Professor at the University of Waterloo.

ORAL QUESTION PERIOD

[*English*]

FATALITIES SUFFERED ON DALLAS-TORONTO FLIGHT—REQUEST FOR DETAILS

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, I would ask the Minister, to whom I have obviously given notice, to bring us up to date on the tragedy in the sky which happened to Air Canada last night. In posing my question, may I, on behalf of my Party, extend our condolences to the families of those who lost their lives, and commend the professionalism of the crew who were able to bring the plane down, thus averting an even greater loss of life.

• (1115)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, would you allow me to join with my two colleagues who have previously expressed the regrets and sympathies of Members of this House and, I might add, of the Government of Canada, to the families affected by this very sad accident.

I do not have very many details because the investigation is obviously still in progress. As my hon. friend knows, the National Transportation Safety Board in the United States in proceeding to inquire, for example by questioning the survivors. Twenty-three passengers died, 16 are still in hospital but are expected to be released within 24 hours. So the investigation is on. A Canadian observer, as in the tradition between Canada and the U.S., has joined the inquiry team.

I might add, with great sadness, that this accident is very unfortunate because, among other bad effects, it breaks the three-year safety record of the seven major Canadian airlines. Three years without an accident was a wonderful record and we deplore the fact that it came to an end in such a dramatic way yesterday.

ATTENDANCE OF CANADIAN OBSERVER AT INVESTIGATION IN UNITED STATES

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, I appreciate the Minister's answer. I also understand why he cannot give too many details at this time. However, concerning the observer he mentioned, may I have some assurance from him, even at this early stage, that the responsible Canadian authorities, be it an observer or otherwise, will be involved in the investigation so that in time we here will know through our own responsible officials just exactly what happened, so that this type of thing will not take place again?

Hon. Jean-Luc Pepin (Minister of Transport): This is the case, Madam Speaker, but the law and the tradition dictate that the place where the accident takes place commands jurisdiction over the inquiry. So if an accident takes place in the United States involving a Canadian plane, it is the American investigatory organization that does the work. If an accident happened in Canada involving an American carrier, the situation would be reversed. This is the practice between the two countries.

Obviously our observer is there and will do his job and he will know as much as the Americans will on the subject of the causes of the accident. But the causes are unknown now. Reference was made to a fire in the washroom, but I am advised by experts not to jump to conclusions before the investigation takes place.

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INDUSTRY

MAISLIN TRANSPORT LTD.—REQUEST THAT GOVERNMENT APPOINT DIRECTOR

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the President of the Treasury Board as the watchdog of the public purse. When it was suggested by the media that Maislin Transport had lost $20 million in 1982 the President stated that somebody was lying. He then put that lie to rest when he filed financial statements showing a loss of $19.9 million in 1982. In view of that lack of accountability, when will the Government take action to appoint its own director to the board of Maislin Transport?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, this matter is one which is under the carriage of the Minister of Industry, Trade and Commerce. I will have to check with him and inform myself about it and get back to my hon. friend.

Oral Questions

REQUEST THAT GOVERNMENT TAKE ACTION

Mr. Doug Lewis (Simcoe North): Madam Speaker, despite the continuing losses Maislin is currently waging a price war on the rest of the Canadian trucking industry. Their ads brag that they are number one in pricing, still number one in North America, and number one in the hearts of the Liberal Party—no, I am sorry, that is not in the ad. But since the Canadian taxpayer is financing this price war on the rest of the Canadian trucking industry, does the Minister not agree that the Government should take steps immediately to appoint a director to the Maislin board of directors?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I will have to bring this aspect of the Hon. Member's inquiry to the attention of the Minister of Industry, Trade and Commerce, but it is my understanding that his officials are keeping in touch with the company.

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NUCLEAR ARMAMENTS

NATO—DEPLOYMENT OF WEAPONS IN EUROPE—GOVERNMENT POSITION

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, my question is for the Secretary of State for External Affairs. For the last year and more the Government has argued that as a member of NATO it is incumbent upon us to participate in the development of NATO weaponry, namely, the Cruise missile. Yet this week at the NATO Defence Ministers' meeting in Brussels three European members, Greece, Spain, and Denmark, refused to endorse plans to deploy Cruise and Pershing II missiles in Europe later this year. They are not being viewed as second class members. Will the Government follow the lead of these countries and withdraw its support from this escalation of the arms race?

• (1120)

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, we have not supported the escallation of the arms race. This past week at Williamsburg the Canadian Government did everything possible to take a stand that would reduce the arms race and bring about results in the negotiations in Geneva.

I assure my hon. friend that one of the principal objectives that we pursued at Williamsburg, I think with some success, was to stress the importance of making progress at Geneva in order to reduce or possibly eliminate the necessity of deployment of missiles in Europe.

Mr. Sargeant: At the same time as the Minister tell us this, the Minister of National Defence is in Europe endorsing the deployment of Cruise and Pershing-Two missiles in Europe later this year.

PROPOSED TESTING OF CRUISE MISSILE

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, on another front on the Cruise issue, yesterday the U.S. Air Force cancelled further tests of the air launched Cruise missile because both tests of the integrated system have resulted in crashes. Last night on The Journal, an American observer said that it was entirely possible that a Cruise missile flying over Alberta could take a sharp turn and crash into a populated area. Have these developments changed the Government's thinking about the proposed testing in Canada?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the developments have not changed the course of events in any way that I can see. Of course, the first point is that the United States still has to make a request to the Government of Canada to test the Cruise missile. When that request comes forward we can examine whether these events to which the Hon. Member refers has any bearing upon our decision. It seems to me that they do not have very much bearing.

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RAILWAYS

RAIL PASSENGER SERVICE

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, my question is directed to the Minister of Transport. The Minister will know that many Canadians are concerned about whether there will be further reductions in rail passenger service across the country. Will the Minister assure the House that there will be no further cut-backs in rail passenger service anywhere in Canada during the next five years?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, that is the type of promise that I always refuse to make because one must not promise more than one can deliver.

As a general proposition, I have repeatedly said that there was no massive or substantial cuts being planned now. There might be an occasional cut or addition, but nothing like what the Minister of Transport did two years ago.

ORDERS FOR ROLLING STOCK—SERVICE BETWEEN CALGARY AND EDMONTON

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, will the Minister tell us whether or not any new rolling stock equipment is being ordered for the existing rail passenger service outside of the Windsor-Quebec City corridor?

Will he also tell us why the VIA train between Calgary and Edmonton is now out of action, as I understand it because CP has decided to take up the rails on the northern part of that route just as we are approaching the University Games when we hope some people will be arriving at Edmonton from Calgary by train?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, there is an order for ten new sets of LRCs in addition to the ten that have already been delivered. This is a substantial increase and progress in the modernization of the equipment. As to where it will be used, the basic problem is maintaining facilities. VIA does not have the money to establish maintenance facilities in all parts of Canada. That will be a limiting factor in diversifying the location of the LRCs.

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TRADE

WILLIAMSBURG SUMMIT—GOVERNMENT POSITION ON PROTECTIONISM

Mr. Scott Fennell (Ontario): Madam Speaker, my question is directed to the Secretary of State for External Affairs. He will recall that I asked him a question last week in regard to his statements on free trade and protectionism. Subsequent to his visit to Williamsburg there seems to be very little news of what transpired and whether he was able to make any inroads in trying to accomplish fair trade while avoiding so-called free trade. What protections have come in to protect this country against protectionist policies in other parts of the world?

• (1125)

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Madam Speaker, I think I told the Hon. Member the last time we had an exchange of questions and answers that at no time have I used the expression free trade. I have not used it at Williamsburg. But if the Hon. Member looks at the Williamsburg declaration he will find there is a particular paragraph in that declaration dealing with protectionism. There the Summit leaders undertook to resist further protectionist measures. That is of benefit to Canada.

The Hon. Member has asked me what actions were taken to help Canada. If other countries decide to avoid protectionism, that is of benefit to Canada. Further they agreed that, as the recovery proceeds, they would attempt to reduce the existing protectionism. I think the key point in that particular paragraph is the undertaking by the Summit leaders to monitor the implementation of their commitments. That is a new element that has not been evident in previous commitments at the Summit.

AUTOMOTIVE TRADE

Mr. Scott Fennell (Ontario): Madam Speaker, did the Secretary of State for External Affairs have an opportunity to discuss with the Americans and/or the Japanese the present status of the auto pact between the U.S. and Canada, and did he have an opportunity to discuss any protectionist policies that the Japanese have with regard to their automobile industry? Did the Secretary of State for External Affairs have an opportunity to discuss with either of those two countries the status that Canada would be left in when GATT runs out and when we get into a period of free trade?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Madam Speaker, the Hon. Member uses the expression fair play. It is one of those elusive expressions that seldom is defined—

Mr. Baker (Nepean-Carleton): Like participatory democracy.

Mr. MacEachen: —and that is used to suit whatever is in the user's mind. Sometimes it is a cover for the word protectionism. I hope that is not what is in the Hon. Member's mind.

Specifically, in reply to the Hon. Member's question, we did not discuss the auto pact as a specific subject in any discussions that I attended. It is a very relevant matter, of course, but it was not specifically discussed. The discussions were general with respect to trade and what we would do to avoid protectionism at this particular time.

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HOUSING

FUNDING OF SUBSIDIZED PROGRAM IN ONTARIO

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is for the Minister of Public Works who answers in this House for housing. There was a story in this morning's *The Globe and Mail,* which reads in part:

> The federal Government is considering pulling out of a joint federal-provincial subsidized housing program in Ontario—

That program, as the hon. gentleman knows, is for the purpose of non-profit housing, senior citizens, housing and private co-operatives, a very important part of the housing mix in Canada. The story is attributed to officials. Is the Government contemplating such a move?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, there is no active discussion of a move to pull out of the program. Certainly I would not do it without having proper discussions.

There are a couple of realities. I find very often that provinces and municipalities tend to forget that the federal Government pays a very large percentage, if not the totality, of some of the social housing programs. I have had to remind a certain number of people over the past months that surely taxpayers were entitled to know where the money came from when projects were being either announced or opened.

On the other question as to whether or not I find that Provinces are doing enough in social housing, I have to say, Madam Speaker, that, in the light of the numbers waiting in the line for social housing, I hope other people will do more. That includes the Provinces, the municipalities, and whomever else wants to join in. We can take all the help we can get.

Mr. Baker (Nepean-Carleton): Madam Speaker, I never quarrel with the thought that the federal Government should get credit for its contribution in the social housing field, but I

think it is quite important that it maintain itself in the programs of housing, and I am very pleased to hear that the Minister has indicated that there is no intention of withdrawing.

REQUEST THAT FEDERAL-PROVINCIAL CONFERENCE BE CONVENED

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my supplementary question is also for the Minister of Public Works. Does he recall that I asked him, prior to the last budget, whether or not it was his intention to convene a federal-provincial conference on housing? There are things that should be worked out between the two levels of Government in terms of credit, in terms of contribution, in terms of the mode of housing or the type of housing that would be provided and that which may be needed. The Minister said that he would wait until after the budget. It is now after the budget. Is that within the contemplation of the Minister? If it is, when would he think such a conference might be held?

• (1130)

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, if I felt that solutions to some of the problems which are now on the table could be seriously advanced by a conference, obviously I would not hesitate. However, as I look at the issues in relation to housing between the Provinces and the federal Government, they are mainly bilateral issues, either on the way this or that government operates its housing program.

I have also looked at the record of past conferences, and I did not find them particularly encouraging. However, I keep an open mind. I expect to meet a number of my counterparts in Moncton next week. Perhaps out of those conversations with the Federation of Municipalities will come a proposal, but I am not pushing for it at the moment.

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[*Translation*]

FISHERIES

REQUEST FOR INFORMATION ON AGREEMENT WITH MADELIPÊCHE FISHERMEN

Mr. Maurice Dupras (Labelle): Madam Speaker, my question is directed to the Hon. Minister of Fisheries and Oceans and concerns the very serious situation in which Madelipêche fishermen find themselves as a result of action taken by the Government of the Province of Quebec. I am aware of the many representations the Minister has made, in an attempt to prevent these fishermen and many subcontractors and suppliers from going bankrupt, and of the lack of cooperation shown by the provincial Government and the many obstacles that Government has laid in the way of a settlement. I wonder whether the Minister could inform the House about an agreement which has been concluded in the interests of Madelipêche fishermen, in spite of everything and despite the actions of the provincial Government?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I wish to thank the Hon. Member for his question. The agreement is basically one that the Canadian Government had suggested a month ago. First, the fishermen and Madelipêche may resume their activities, and we would have preferred this to happen at the same time the rest of Pêcheurs-Unis members will be resuming operations; second, the trusteeship is no longer exclusively under provincial authority—a suggestion that was made by the Member for Bonaventure-Îles-de-la-Madeleine—and a third administrator has been appointed, the only one who lives on the Islands, namely, Mr. Laurie Delaney; third, the Government of Quebec has promised not to take Pêcheurs-Unis to court as it was threatening to do, which was in the trusteeship legislation, and because it would not make sense to reopen a plant that might lead to others being closed down. Most important of all, the manoeuvre to get the authority for issuing permits from the Government of Canada did not succeed. We have found a temporary solution, but the Government of Canada is reserving the right to review its position after the current fishing season.

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[*English*]

ENERGY

PRICE OF CRUDE OIL SOLD TO JAPAN

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. Could the Minister confirm that Canadian light crude oil is being sold to Japan at firesale prices by Dome Petroleum? I believe it is at $2 per barrel below current world prices. If that is indeed happening, could he say whether the sales are being made with the approval of the National Energy Board and/or the approval of the Canadian Government, and how extensive are these sales?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, these sales have been approved by the National Energy Board. They have controlled the price. Of course the type of crude offered for sale is not of the type requested or favoured by Canadian refineries because of its sulphur content and so on. The price has been very competitive in the world market today. There is a world price set, the normal price, but there is always a variation in the price according to the quality of the crude.

INQUIRY RESPECTING EFFECT ON FEDERAL-PROVINCIAL AGREEMENT

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, could the Minister explain the effect of such under the counter sales, as it were, on the oil pricing agreement between Alberta and the federal Government? Does this kind of transaction not have the result of making Canadian light crude available to Japanese refineries at a price a good deal

lower than that at which it is available to refineries in Ontario and Quebec?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, with his usual style the Hon. Member said, "under the counter". It was approved by the NEB and it was made public by the NEB. It was made at the request of the Alberta Government, which was complaining for months and months that there were big shut-in problems in Alberta. His own Party's energy critic made representations to me in committee and in the House that we should sell more oil from Alberta to the markets of the world. I am very surprised that there is not better co-ordination in the Opposition than that on an oil policy, after listening to the leadership candidates. Even after appearing in front of the court in Alberta, they are still wavering about their oil policies in the Tory Party.

PRICES CHARGED TO DOMESTIC AND FOREIGN REFINERIES

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, my final supplementary question is directed to the same Minister. I appeal to him to answer my last question. The answer he gave had nothing to do with the question. My question was: will these sales result in lower prices to Japanese refineries than to refineries in Ontario and Quebec?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I said earlier that the refineries in Quebec and Ontario did not want this type of crude. They prefer better quality than this. The NEB looked into the problem. In response to the producers and the Alberta Government, the NEB decided to permit the export of crude. If some refineries in Quebec and Ontario want that type of crude, they will not be surplus to Canadian needs. If the Tory Party wants us to make sure that there are many shut-ins in the oil industry in Alberta, it will be very easy for us to arrange.

QUALITY OF CRUDE OIL EXPORTED TO JAPAN

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, continuing on the subject of the export of light crude, I would like to direct a question to the Minister concerning Japanese evaluation of that crude. Confidential correspondence indicates that Japanese buyers of Dome crude said that it is good or better than Saudi Arabian or Oman light crude.

We are exporting light crude oil in tanker lots. We have increased them, and we are increasing our exports of light crude into the United States. We are increasing the export of distillates as well into the United States and other markets. It appears that we are prepared to sell ourselves out of some of the best low priced energy resource which we have, and to give Canadians in the future an opportunity to depend upon very high priced crude.

Could the Minister explain the contradiction in his remarks to the Leader of the Opposition as opposed to the Japanese correspondence? Will he tell us why he is prepared literally to cut the throats of Canadians in terms of their future dependence on very high priced offshore and frontier oil?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, in terms of the quality of that crude, my information is that the NEB looked into it and indicated that it was the type of crude in which Canadian refineries were not interested. They probably do not have the same type of equipment as the Japanese to use it. It might be good for the Japanese but it is not the type of crude Canadian refineries want. If the Hon. Member does not know about it, some oil is not recouperable. This is why it is desirable to maintain a high level of production in the oil fields. Otherwise we lose some of the resource. At the same time the money received from that is some cash flow which can be used in Canada to develop more oil.

Mr. Nielsen: Cash flow to Dome.

Mr. Chrétien: People are asking us to maintain a very good, lively oil and gas industry in Canada. This is exactly what I am trying to do at this time. If Hon. Members do not want us to sell oil or gas outside Canada, we might shut down the industry and there will be more unemployed in Canada.

Mr. Skelly: The Minister of Energy, in that bag full of hot air and words, is trying to avoid the question of the total failure of the national energy policy. We are selling out a scarce and valuable resource because the Government has placed itself in such a desperate position.

• (1140)

PROJECT TO CONSTRUCT OIL UPGRADER IN WESTERN CANADA—GOVERNMENT POSITION

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I ask the Minister, if he is interested in helping out the oil industry, when he will go ahead with an upgrader in western Canada. An upgrader would provide the kind of economic stimulation, energy security, and job creation that the country needs. When will he develop an appropriate energy policy instead of the desperation sell-out bids that he is promoting now?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, the Hon. Member talks as if he were full of hot air, but if he knew the facts he would recognize that this year is the first year in a long time that we in Canada have produced more oil than we are consuming. It is false for a person to say that the energy policies of the Government are not working. They are evidently working because we are producing more oil than we can consume, for the first time in many years.

In terms of the development of upgraders, we are at this time in negotiation with officials of the Government of Saskatchewan about the possibility of having an upgrader built in Saskatchewan, but we have not resolved the problem with those who want to invest in it. If there is to be development of upgraders and so on, the industry must have enough cash to

put into the project. If the industry is closed down, there will not be enough cash to develop upgraders.

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FISHERIES

NEW BRUNSWICK COMMERCIAL SALMON FISHERY—APPLICATION OF GLOBAL QUOTA

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, my question is directed to the Minister of Fisheries and Oceans and concerns the commercial salmon fishery of New Brunswick which will open in about ten days and which will be of six weeks' duration, with an imposed quota. As the Minister knows, this year's quota is a global one rather than one which is directed to individual fishermen. It is conceivable that two or three of the better equipped and bigger fishermen will be able to fill the entire quota in a very short period of time. Would the Minister give consideration to having a quota directed to each fisherman rather than a global quota for the entire fishery?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, my hon. friend is tackling one of the thorniest issues in the management of salmon fisheries in the Atlantic. I can assure the Hon. Member that his suggestion for a way to ensure a stable income for fishermen while not depleting the stock will be studied very carefully. As he knows, the report I have received from the biologists indicates that the salmon stock is extremely low at this moment and that all participants in the fishery industry in the Atlantic must share in the reduction of their quota. I will certainly look at the Hon. Member's suggestion.

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HOUSING

PROPOSED MORTGAGE RATE INSURANCE PROGRAM—GOVERNMENT POLICY

Hon. James A. McGrath (St. John's East): Madam Speaker, my question is directed to the Minister of Public Works who is the Minister responsible for housing. According to estimates forecast by the Conference Board of Canada, Government borrowing this year will be equal to about 85 per cent of personal savings in Canada. As private sector loan demands increase, upward pressure will be placed on interest rates, particularly mortgage interest rates. That leads me to ask what has become of what was once a pet project of the Minister, the Mortgage Rate Insurance Program. Before the budget, the Minister told us that he could see the Program being implemented even without a budget provision. What has become of that? Is it the policy of the Government, now that interest rates are down, that we should not even think about a program designed to ensure against another increase in mortgage rates?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, without accepting the premise that the Hon. Member's question is based upon, I would say to him that we are working on the plan. We had hoped to have it ready. However, we ran into some difficulties which are now being ironed out by testing the plan from an actuarial point of view. If those technical difficulties can be sorted out, we may be able to go ahead with the plan. I think that now is certainly the time to encourage people to feel secure about mortgages if they do become involved in them, and that is why, as soon as we are ready to proceed, and if I get the approval of my colleagues, we will certainly proceed.

PLIGHT OF HOME OWNERS WITH HIGH INTEREST RATE MORTGAGES

Hon. James A. McGrath (St. John's East): Madam Speaker, that leads me to my next question which concerns the plight of those unfortunate Canadians who were forced to renew their mortgages at a time when mortgage interest rates were about twice what they are now. Will there be any possible relief for these people? Has the Minister discussed this situation with his colleague, the Minister of Finance? Can he offer us any hope, through putting pressure on the banks and the mortgage companies, that these people will be given an opportunity to renew their mortgages without penalty so that they can take advantage of present mortgage interest rates?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, I certainly do recognize the problem and I have discussed it with my colleague, the Minister of Finance. In fact the Minister has indicated in the House that such cases of a clearly unfair nature should be brought to his attention. I can think of no better way to bring an issue to the attention of banks and mortgage companies than to bring it to the attention of the Minister of Finance. I encourage him in his efforts.

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ENERGY

CRUDE OIL PRICING POLICIES

Mr. Harvie Andre (Calgary Centre): Madam Speaker, my supplementary question is directed to the Minister of Energy, Mines and Resources. The Minister seems to be worried about the energy policies of the Progressive Conservative Party. I think he should concern himself with getting his act together on behalf of the Government of Canada. In particular, in the last few days there have been conflicting press reports referring to the Government's plans in terms of crude oil pricing. The first report indicated that the Cabinet had decided there would be no change in the energy pricing agreement, even though it is hopelessly obsolete. This report was followed by a denial and an indication that the Government is still discussing it.

The Minister says that he is worried about industry cash flows and industry investment. He knows that the greatest curtailment to investment is uncertainty over the Minister's continuous foot-dragging and inability to have himself and the

rest of his Cabinet colleagues address the problem of Canada's crude oil pricing policies. When can we expect an answer from the Government?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I have said all along that the deadline for fixing the price is July 1. The decision is not a decision to be made by the federal Government alone. At this time I am negotiating with officials of the Government of Alberta. On Tuesday I met with the Energy Minister for Alberta, and I requested another meeting next week. There will be a meeting of sorts as he is coming to town for another purpose, but he wanted to postpone the meeting to the week after that. I think that the Hon. Member cannot reproach me simply because I am negotiating with the Government of Alberta. The Government of Alberta has something to say in that regard as well, and it is a very complex problem.

It is very interesting to see that, despite the leadership candidates' appearance before a court in Alberta, the Tories are not of one mind about what should be done about the price of oil. After hearing the Leader of the Opposition asking me not to sell oil abroad, and after hearing the Hon. Member continually asking me to sell more than we are selling today, I am not impressed at all with the position that is being taken at this time. We are self-sufficient in oil, and the industry is now in a better mood than it has been in for years.

Mr. Andre: Madam Speaker, the Minister's last statement is almost beyond belief. Only 26 per cent of the drilling rigs in the country are in operation at this time. Unemployment in the oil industry is in the tens of thousands. If he calls that a good mood, he is dreaming. If the Minister wants this Party to take over the energy policy in the country, we are prepared to do so and we will have Canadians satisfied, both consumers and producers.

As the Minister knows, the natural gas industry is in a state of crisis. There are literally scores of Bills before the American Congress to penalize Canadian gas producers. The situation is critical. He knows that the negotiations with Alberta are complete—

Madam Speaker: Order, please. I do not see when the Hon. Member will ask his question. I think he should do so right now.

GAS EXPORT PRICES

Mr. Harvie Andre (Calgary Centre): Madam Speaker, when will the Minister make the annoucement about natural gas export prices which would have been made several months ago if it were made by a competent Government?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I am amazed and amused when I hear the Hon. Member speaking about our energy policy. The Tories were in power for seven months. At that time two Tory Governments were negotiating and could not come to an agreement in seven months. Because they had a lousy energy policy, they eventually lost the confidence of the House and the confidence of the people of Canada. I believe that the Tories' record on this policy is so shameful that I would rather not talk about it.

• (1150)

In terms of making a decision about the question, I said that I am in negotiation with Alberta and I hope we will have a comprehensive agreement on all these items with the Tory Government of Alberta.

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CANADIAN SECURITY INTELLIGENCE SERVICE

CONFIDENTIALITY OF CENSUS RECORDS

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, in the absence of the Solicitor General, whose whereabouts are secret even from his own office, and in the absence of the Prime Minister, I will direct my question to the Deputy Prime Minister.

Yesterday the Solicitor General discussed the supposed need for his proposed new Security Service to invade the confidentiality of census records. Is it the Government's intention to invade the confidentiality of records already collected which were given with the understanding that they would be kept confidential? All Canadians, I would remind him, are required to answer these questions. Or is it the Government's intention only to invade the confidentiality of future records?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member knows that the Bill has been given first reading. The intentions of the Government are declared in the Bill as can be found by an examination of the Bill. It will go to a committee and all the concerns and requests for information can be dealt with at that time.

GOVERNMENT POLICY

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, the Bill refers to records. Let us assume that that means confidential records in the census will be violated according to the Government's intention, if the legislation is passed.

Would the Minister specify what other records the Government has the intention of invading—records of clients in lawyers' offices for example; files of discussions between a lawyer and client? What about medical records in doctors' offices? What about mail to Members of Parliament from constituents? And what about the confessional box?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member is taking a rather extreme flight of fancy in reciting all these possible dire actions by the Government. I am sure the Hon. Member knows that access to records containing

personal information, whether held by the federal Government, the provincial Governments or the private sector, can only be had either by consent or by judicial warrant. It is not about to happen in the way the Hon. Member describes, as if the Government had ready access or the Security Service had ready access. That is not the case. It cannot happen unless there is a judicial warrant issued under very specific circumstances.

I make that reply in order to clarify the misinformation that has been put forward by the Hon. Member. As I said earlier, the place to debate this is not on the Orders of the Day but when the Bill comes up on second reading and when it goes to the Committee.

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LABOUR RELATIONS

NEWFOUNDLAND'S REMOVAL OF COLLECTIVE BARGAINING RIGHTS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have a question for the Minister of Employment and Immigration. On Tuesday, May 31, the Newfoundland Government amended its Public Service Collective Bargaining Act specifically to remove collective bargaining rights from anyone working on an Employment Opportunity Program funded by the federal or provincial Governments.

Did the Minister have prior knowledge of the intention of the Newfoundland Government to take this action and, if so, does the Minister approve of the removal of collective bargaining rights from those persons who are employed under federally funded programs? If so, does the Minister not believe that this action by the Newfoundland Government is a denial of basic rights that Canadians have fought for, and is an inappropriate action? Does he not think that he and his Government should make representations to ensure that such action cannot be taken with regard to projects funded by the federal Government?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, in all cases in federal job programs we have been particularly careful to ensure that there would be no intrusion into the normal workings of labour and management or collective bargaining arrangements. We have gone out of our way to meet with a number of unions, particularly Public Service unions, to ensure that job-creation programs would not overlap. As the Hon. Member knows, we do not have control over decisions made by a provincial Government.

I will certainly undertake to look into the problem and raise it with the Labour Minister in Newfoundland to see if it intrudes in any way upon the agreements that we have with them for joint funding of job-creation programs. I will report back to the Hon. Member.

CANADIAN BROADCASTING CORPORATION

DECISION NOT TO TELEVISE FILM ON UNEMPLOYED

Mr. John Bosley (Don Valley West): Madam Speaker, I have a question for the Minister of Communications. He will know that a conference was held in January under the auspices of the Department of Employment and Immigration and was filmed by the CBC. The consequence of all that was that an injunction was taken against the showing of the film. Would the Minister confirm that the CBC had decided not to air the film ultimately made, with effectively $200,000 of public money? Will he tell the House what action he has taken with regard to those who authorized that expenditure for a film that cannot be aired?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, perhaps I can answer the Hon. Member's question in part. I do not think it is worth while engaging in speculation on management choices in the CBC. As far as the film is concerned, an arrangement was entered into with Mr. Allan King and the Mengen Institution. Mr. King is a well known documentary film maker who has conducted some of the most important and prize-winning documentaries made in this country over the past several years. The contract arrangement we have with him was not in any way to have any editorial control. As we have discussed in the House many times, there is a very serious and tragic plight that people who are unemployed go through. It was important for other Canadians who had the advantage of having a job to understand that.

The point of the film was to try to undertake both the research and the analysis so that other Canadians would understand that kind of condition. I hope that the kind of filming that was done—and I have not seen it so I do not know what it contains—but I know the objective was a worthwhile one—I hope it has some public distribution.

PUBLIC FUNDING OF FILM

Mr. John Bosley (Don Valley West): Madam Speaker, given that answer, my next question is addressed to the Minister of Communications. If the film was that valuable why will the public not be able to see it? They can only have it one way, Madam Speaker. Either it is a worth-while film commissioned by the Government of Canada with the people's money and should be seen, or some officials of the Government of Canada made a serious error of judgement in the way the film was commissioned and made. Which of those propositions does the Government admit to be true?

Hon. Francis Fox (Minister of Communications): Madam Speaker, as the Hon. Member knows, when we are talking about programming, the decision about what type of program is going to be aired over the CBC is made by CBC management and no one else. It is up to CBC management to decide whether it wants to air the film and whether that film is appropriate for airing at a specific time. The bottom line is

that the CBC and not the Government is responsible for programming.

* * *

NUCLEAR ARMAMENTS

WILLIAMSBURG SUMMIT—BRITISH AND FRENCH NUCLEAR FORCES—CANADIAN POSITION

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is for the Deputy Prime Minister, in the absence of the Prime Minister. One of the Prime Minister's interventions early at the Summit conference was that France and Britain should be prepared to negotiate concerning their independently controlled strategic nuclear forces as if those forces were part of NATO's intermediate range nuclear force. This representation had been made quite frequently in international circles before, but usually by Russia.

Could the Deputy Prime Minister indicate what purpose the Prime Minister had and what results were obtained by the Prime Minister, acting as Russia's advocate in this particular area where he seemed to be suggesting that Britain and France should throw away the only bargaining chip they have in this matter?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I am pleased to answer that question. I can certainly remove from the Hon. Member's mind, I trust, the mistaken impressions he has about the discussions at Williamsburg.

At no point did Canada press that the British and French nuclear forces should be put into the INF negotiations. That was not pressed by Canada, nor did we ask that these particular nuclear national strategic forces go into the INF negotiations. What we did suggest with respect to that particular aspect, or at least what we questioned, was whether the type of document we were attempting to put together ought to include specific references to various negotiating positions that had been adopted. This is one particular negotiating position that has been adopted and which Canada accepts. The question is whether this document was an appropriate place for the inclusion.

• (1200)

I think the Hon. Member is also mistaken when he states that this is a view on substance which is taken only by Russia. I could cite some rather important persons in the West who say, at a certain point, the British and French strategic deterrents ought to be included in some way in the negotiation, not in the INF, but, rather, in some future negotiation.

Mr. McKinnon: Of course that is the attitude of the Prime Minister that they should be included, and it is well known that he said so himself.

RESULTS OF SUMMIT CONFERENCE

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my supplementary question is directed to the Deputy Prime Minister in his own role. The Minister told reporters after the conference that he was very pleased with the results of the arms control talks among the seven Summit leaders. The leaders rejected the Prime Minister's suggestion about the weapons of Britain and France. Instead, in their communique, which particularly singled that out, the seven leaders stated:

> Attempts to divide the West by proposing inclusion of the deterrent forces of the third countries, such as those of France and the United Kingdom, will fail—

Could the Deputy Prime Minister tell us why he was so pleased that the Prime Minister failed in his effort to have them included?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I think the Hon. Member ought to be told that the Canadian delegation did have quite an influence on the drafting of the communique and the declaration. He might be pleased to know that the declaration on arms and security originated with a Canadian idea.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by the Hon. Member for Comox-Powell River (Mr. Skelly) on Thursday, June 2, 1983, meet the requirements of the Standing Orders as to form.

* * *

POINT OF ORDER

MR. BLENKARN—VOTES IN MAIN ESTIMATES ALLEGED IRREGULAR—DELAY IN RULING BY MADAM SPEAKER

Madam Speaker: The Chair is prepared to rule on the point of order which was raised on April 27 by the Hon. Member for Mississauga South (Mr. Blenkarn) concerning the procedur and the acceptability of two votes on one statutory item. The Hon. Member is not in the House today. The ruling could be delayed. I believe. Would Hon. Members prefer that I delay it?

Mr. Lewis: Please.

Madam Speaker: Then I will.

Petitions

ELECTORAL BOUNDARIES READJUSTMENT ACT

TABLING OF REPORT OF COMMISSION FOR THE PROVINCE OF BRITISH COLUMBIA

Madam Speaker: It is my duty, pursuant to Section 19 of the Electoral Boundaries Readjustment Act, Chapter E(2), Revised Statutes of Canada, 1970, to lay upon the Table a certified copy of the report of the Electoral Boundaries Commission for the Province of British Columbia.

[*Translation*]

MESSAGE FROM THE SENATE

Madam Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-156, an Act to amend the Unemployment Insurance Act, 1971 (No. 3), without amendment.

* * *

THE ROYAL ASSENT

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

Government House
Ottawa

June 3 1983

Madam,

I have the honour to inform you that the Honourable Brian Dickson, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 3rd day of June, 1983, at 12:30 p.m., for the purpose of giving Royal Assent to certain Bills.

I have the honour to be,
Madam,
Your obedient servant,

Esmond Butler
Secretary to the Governor General

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. BURGHARDT—TESTING OF CRUISE MISSILE IN CANADA

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Madam Speaker, it is my duty and pleasure to present this petition on behalf of 546 students of Sir Frederick Banting Secondary School in London, Ontario.

These students are opposed to the testing of the Cruise Missile in Canada. They encourage the Canadian Government to exert whatever means and influence is necessary to effect multilateral nuclear disarmament.

MR. KRISTIANSEN—PORNOGRAPHY AND DENIGRATION OF WOMEN IN TV BROADCASTS AND OTHER MEDIA

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, it is my duty and honour to present a petition of the undersigned constituents of Kaslo in the riding of Kootenay West, my own constituency in the Province of British Columbia, and other concerned citizens.

The petition humbly sheweth that the Canadian Radio-Television and Telecommunications Commission television broadcasting regulations do not extend to women the same protection against abusive comments or abusive pictorial representation as now exists for racial and religious groups; further, that the concerns of citizens have been recently heightened, not only by the so-called adult programming on pay television, but also by the proliferation of pornography in various media.

Wherefore the undersigned, your petitioners humbly pray and call upon Parliament to demonstrate its opposition to the denigration of women by enacting an Act to Amend the Broadcasting Act as introduced by Lynn McDonald, Member for Broadview-Greenwood, on March 8, 1983. As in duty bound, your petitioners will ever pray.

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I also have the honour of presenting two petitions, one from the Province of British Columbia, and a second from the Province of Quebec, in which the petitioners request that the House and the Government consider the implementation of an effective marine industrial strategy for Canada in order to ensure its economic expansion and employment. The petitioners would request that the Government begin immediate action.

* * *

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. 4,820 and 4,870.

[*Text*]

ESKIMO DOG RESEARCH FOUNDATION

Question No. 4,820—**Mr. Nickerson:**

1. Was the Minister of Indian Affairs and Northern Development advised by way of a letter dated April 12, 1983 that, because of financial constraints, the Eskimo Dog Foundation was unable to continue its work of preservation and breeding the Canadian Eskimo dog which has attracted so much international interest over the past few years and that the Foundation plans to donate its stock of some 60 registered dogs to the government on May 31, 1983?

2. What plans does the Government have for the dogs it will receive and will it continue the work initiated by the Foundation of preservation of this unique and endangered breed?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): 1. Yes.

2. The Eskimo Dog Research Foundation was privately sponsored and organized. Its objectives were to re-establish the Eskimo dog as a breed and to have it accepted for registration by the Canadian Kennel Club. A secondary objective was to return breeding stock to Inuit outpost camps. The Foundation has been successful in achieving these objectives. Although the Department funded a film produced by Inuk Films of Yellowknife to publicize the work of the Foundation, and to assist it in raising funds, it has not been successful in this nor in selling dogs in the South and there is no commercial market for them in the North.

While the Department has neither the funds nor the mandate to underwrite the Foundation's operations, the Government of the Northwest Territories has indicated that they are prepared to assist the Foundation to distribute the dogs to individual Inuit hunters who can be expected to make good use of them.

CONFERENCE ON CLOSED-CAPTIONING

Question No. 4,870—**Mr. Beatty:**

1. Is a conference on closed-captioning planned for Ottawa in 1983 and, if so, what will be the participation, if any, of the Government?

2. What is the status of the Telidon closed-captioning decoder?

3. On what date will the decoder be available for sale and what will be its cost?

4. Is the decoder available as the Government had anticipated and, if not, for what reason?

Hon. Francis Fox (Minister of Communications): In so far as the Department of Communications is concerned, the reply to the above question is as follows:

1. On May 10, 1983 Communications Minister Francis Fox announced that the federal Government will contribute $30,000 in funding to the Canadian Captioning Development Agency (CCDA) to help sponsor the first World Conference on Closed Captioning.

The CCDA will host the conference as a special World Communications Year project in Ottawa this November. Existing captioning agencies in the United States, Australia, Britain, France and Sweden and other potential captioners will be invited to attend the conference. A special effort will be made to involve organizations in developing countries that are interested in captioning.

2. The Telidon closed-captioning decoder (with dual mode (videotex/teletext) capability) is currently operational and available.

3. Due to the need to incorporate the final North American Presentation Level Protocol Syntax (NAPLPS) standard changes, the cost of the decoder is $3,950. It is expected that when the item becomes a consumer item there will be significant price reductions. Recent sales have largely been to people and institutions at the forefront of investigation and experimentation of its use.

Later this year significant price reductions are expected with a further significant drop in prices in the summer of 1984.

4. As noted above, the decoder is available as had been expected.

[*English*]

Mr. Smith: I would 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*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—TRANSPORT POLICY

Mr. Pat Nowlan (Annapolis Valley-Hants) moved:

That this House rejects the Government's policies with respect to transportation, which have caused concern, chaos and confusion, as demonstrated by its loss of control over Crown corporations such as Air Canada, CN and Canadair and that the political preference, secrecy and negligence that it has shown in its dealings with such private concerns as Maislin, and condemns the Government for its failure to demonstrate fairness, accountability and leadership in its activity.

He said: Madam Speaker, I am glad to see the Minister of Transport (Mr. Pepin) has returned to the House. As he well knows, this is an Opposition day on which we are expressing very justified concern, as far as the Opposition is concerned, about transportation policies and the fact that no matter how well intentioned this very pleasant and plausible Minister is, he is trying to adopt certain policies, in too much haste, perhaps biting off more than the legislative system can digest, let alone the public accept. Through this indigestion in the legislative process and the public's concern, there is confusion, chaos and concern of the public with regard to the transportation industry across this country.

I am leading off for my Party in this debate. My colleagues will be detailing aspects of this concern, primarily involving the loss of control which the Government should be exercising over its agencies, particularly its Crown corporations. We will be discussing its loss of control over Crown transport companies. It insults every Canadian when it appoints its political friends, such as Bryce Mackasey and Jack Horner, to top jobs. Then it heaps some more insults upon Canadians when it refuses to say what these men are paid, and fudges around in effect in regard to how much they work during the week for which they are paid.

Then there is the trucking industry. The Government's discriminatory support for a mismanaged company has dislocated the whole industry in central Canada. One of my colleagues will be elaborating on this issue which is of concern in transport across the country. It looks as though the people of Canada will lose $34 million when the company goes down the drain.

There are other signs of the Government's rot and lack of direction concerning transport matters. Canadian National is under investigation for illegal trade practices, and Parliament's supervision of the company must be suspended while Cabinet dithers about preventing CN from taking over a debt-ridden shipping group. Another colleague will be discussing that in more detail.

Then, of course, there is Canadair. It is, speaking most conservatively, in deep financial trouble. The trouble at the root is lack of control of the Government over one of its primary Crown corporations.

• (1210)

Then, of course, we have Air Canada, Mr. Speaker, and particularly the Chairman of the Board, a part-time chairman, whatever that means, and no one in this Government seems to know what it means. He is apparently under some type of RCMP investigation. Also, a consultant at Air Canada makes a secret multimillion dollar kickback deal, which I will refer to later.

These are just some of the matters, Mr. Speaker, which cause the confusion, the chaos and the legitimate concern of Canadians from coast to coast. We can consider too the very human element in the Government itself, and the Minister who is primarily responsible for the use of Government planes, and the rules as to the use or abuse of those Government planes. It appears that when it is brought to public notice through the press or in this House that Government planes are used to fly Ministers across the country—which we understand, but which is in effect mixing business with pleasure—there is a convenient bending of the rules. I would like to ask the Minister how he can justify bending the rules for Ministers when they file their expense accounts, and not distinguishing between expense accounts for personal pleasure involving family and expense accounts involving Government business. Canadians have just completed the most complicated income tax return ever designed to confound man. That Canadian, be it a working person or a business person must distinguish between the business and the pleasure aspects in asking for some redress of expenses. Surely, Mr. Speaker, that is part of the dry rot and alienation of the public from the politician, when there is a special rule which governs us and Ministers and it is not the same rule which governs taxpayers. That is something that, while it may seem small in terms of the dollars involved, in terms of principle is not at all small. It has to be addressed and redressed. There have to be firm guidelines set down as to the use of Government planes for business or pleasure.

I say this kindly to the Minister, because I believe he is trying to do a good job, that, frankly, I feel he is trying to do too much in too short an interval. That I believe is best shown when we look at the changes to the Crow after 80 years or 90 years in a Bill which was supposed to be, perhaps not rubber-stamped but forced through this House by way of closure after a couple of days' debate.

Then in the East we have the Maritime Freight Rates Act under which the Government unilaterally, without consultation with the four Atlantic Governments, in effect contracted for a consultant group to review the impact and the continued efficacy of the Maritime freight rates, how they help or hurt the Atlantic industry. That again was done without consultation. There has been some clarification of that and, hopefully, when the report comes in from the consultant group there will be some chance for public input. However, Mr. Speaker, that is the point I make about concern, chaos and confusion. When you have those two fundamental Bills, the large one of the Crow in the West which affects all of Canada, and the Maritime Freight Rates Act in the East, and unilaterally the Government tries to force change through the House without proper debate or proper public input, obviously, you are going to get a negative reaction. I could speak at length on the effect of the changes to the Crow in the West and the Maritime freight rates in the East. One could almost say those Bills are like the wings of the economy. Those Acts are there for a purpose, to help build the economy in those respective areas. Those two Acts were the wings which gave the lift-off to the economy, to help the economy grow, to help the regions grow. Then, for whatever reason, we are told it is time to change. We all know there is change necessary in both areas. I agree with the Minister that change is needed. However, change should not be forced through the House with the club of closure.

There are many other areas I could mention, Mr. Speaker, for instance, what is in the paper today about Quebecair and where it sits. Evidently, Quebec has turned down the latest proposal from negotiations between Air Canada—the Government of Canada—and Quebecair. There may be legitimate reasons why it has been turned down. However, this is another area which affects a very vital part of the country. It is a very vital airline of the country and it is literally up in the air because the negotiations have not produced any results.

I do not have to mention Nordair and the flip-flops in Government policy on Nordair when it was taken over and when it was to be sold off. There is a total absence of any public statement from this Minister on the total area of

domestic air policy, which again creates chaos and confusion, and it certainly creates concern among all those affected. In fact, Mr. Speaker, one could say in a most poetic way that this litany of concern, chaos and confusion becomes a lament for a responsible leadership and for accountability of the Crown and its agencies to this Parliament, which is the representative of the people.

Others of my colleagues, Mr. Speaker, will be developing some of these themes, involving Canadair, Maislin, CN and CP. I would like to turn to the specifics of Air Canada about which, as many Hon. Members know, I have asked questions. It is called an Air Canada matter, but perhaps it should be called "the Chairman of Air Canada affair". We have a situation of indefinite allegations against unknown people for an unknown length of time. It may be called "the affair about people who are trying to set up the Chairman of Air Canada". However, all of this has little relevance to what I want to say about the Air Canada matter.

In my opinion, there are two fundamental issues at stake here which we have bandied about in the House through pleasant words with the Minister and even more pleasant diversions from the Prime Minister (Mr. Trudeau). One is the matter of the fair administration of justice and the due process of law. There is not an Hon. Member who does not appreciate the significance of that. The second matter, which definitely comes within the prerogative of this House and of the Transport Committee, in my opinion, Mr. Speaker, is the conduct of the office of the chairman of a Crown Corporation, and specifically with regard to Air Canada, the problem of a part-time chairman wheeling and dealing for his own personal gain. This matter first arose in the House, Mr. Speaker, on December 9, 1982. On December 20, after reports in the press, the Minister of Transport, in replying to a question in the House, said that he telephoned the Chairman of the Board of Air Canada to tell him about an RCMP inquiry. The Minister said that he had RCMP approval to make the call. He further said that he had someone telephone the President of Air Canada. Not surprisingly, a further question was asked immediately, and it was, "What had the Minister told the Chairman of Air Canada?" At this point, the Minister of Justice (Mr. MacGuigan) intervened and answered that he had talked with the Minister of Transport and that he, the Minister of Justice, had taken appropriate steps, and that he, the Minister of Justice, did not think it appropriate to give further details.

For many reasons, Mr. Speaker, this answer is not satisfactory. The history of Parliament has long been a struggle to ensure that the executive is responsible to Parliament and, therefore, ultimately, accountable to the people. The simple belief of a Minister that his course of action is appropriate has rarely been accepted by the courts as adequate justification. The courts have inquired usually to see whether there were in fact reasonable grounds for the conclusion to which the Minister of the Crown arrived. In the court of Parliament, of course, the elected Government carries the day. If it does not wish to require the Minister to give reasons for his belief and to justify it publicly, then of course the Minister does not have to do so. However, this does not mean that the fundamental principle of responsibility on this issue has been discharged. The people of Canada, to whom we are all responsible, sooner or later will merely say that on this issue the Government does not want the reasons for its decision made public. Perhaps we could say, charitably, that the Government will reveal some day why the Minister of Justice thought it appropriate not to explain what the Minister of Transport said to the Chairman of Air Canada. Very probably, the Minister of Transport acted perfectly properly. Very probably he told the Chairman of Air Canada nothing which would compromise an RCMP investigation. On the other hand, Mr. Speaker, perhaps without even realizing it, the Minister of Transport said something to the Chairman of Air Canada, or something was said in the phone call to the President of Air Canada, that compromises the investigation.

This leads to a more fundamental point. Should a Minister of the Crown ever knowingly communicate with a person who, there is good reason to believe, may be under criminal investigation? On May 26 the Minister of Transport appeared before the committee and he was much more forthcoming about the telephone call. He said that he had made the call to the Chairman and he asked the RCMP for approval. He also said he was alone when he made the call and that there was no recording and it lasted approximately five, six or seven minutes. He said that he possibly told the Chairman that other people, presumably besides the Chairman, were involved in the police inquiry. I suggest that this is a most serious matter, Madam Speaker even if it was inadvertence on the part of the Minister. I am not suggesting in the least that the Minister acted intentionally wrongly when he phoned the Chairman of Air Canada. But I think this House should seriously consider guidelines which would ensure that the possibility of the criminal justice system being compromised or short-circuited cannot occur with phone calls to people who may be under criminal investigation.

• (1220)

We do not know, of course, whether the Chairman of Air Canada was himself being investigated. We can certainly draw some inferences in view of things that have happened since, but here we have a Minister privy to details about the investigation talking to a man who may be under investigation. Even if the Chairman is not under investigation, might it not be that a friend of his is? We have the Minister admitting that he told the Chairman that other people were being investigated. The possibility that a criminal investigation may be short-circuited or appear to be short-circuited and the suspects warned is very serious, particularly so in a case like this where the Chairman is a political appointee.

The Montreal *Gazette* has reported that the Prime Minister (Mr. Trudeau) attended a party given in honour of the Chairman's appointment. It would be a political embarrassment for the Government if such a person were to be convicted of a criminal offence, or even charged. I ask, should there not then be clear guidelines about the way in which Ministers and other

political appointees can communicate with a person in this situation so that justice will not only be done but will appear to be done?

The Minister of Transport has said that the RCMP—and by this he seems to mean one or both of the officers with whom he discussed the case—said that he could telephone Mr. Amyot. But should decisions about the due administration of justice really be left to be decided by RCMP officers in these circumstances? The answer must clearly be no. This House needs to establish clear guidelines on how political figures privy to confidential information about police investigations may contact persons who may be under investigation. I suggest, Madam Speaker, at the very least, an impartial witness should be required to be present and a recording of some type made of the call. But I am not convinced that any oral contact should be made at all. As I said, there may be, by chance or inadvertence, a compromise of due process. This is a serious issue of the possibility of political interference with the fair administration of justice, and I think we definitely have to set some guidelines. I would think that in time this issue should be clarified and defined before either the Standing Committee on Transport or a larger committee of this House.

Turning to the matter of conduct in office, regardless of what the criminal investigation is about, there is the issue of the Government's responsibility to ensure that the Board of Directors of Air Canada can operate properly, I have repeatedly asked the Government to consider giving the Chairman a leave of absence or suspending him pending the outcome of the investigation. I want to emphasize again that I do not make the suggestion because I believe or have any knowledge at all that the Chairman is guilty of any criminal offence. I do not know. I suggest perhaps that no one in this House knows what the Chairman has done or not done that may involve criminal responsibility.

Mr. Pepin: Why are you charging him, then?

Mr. Nowlan: It is a fundamental aspect of our system of justice that a man is presumed innocent until he is proven guilty. However, there is the question of whether the Chairman of Crown corporation with a public board can continue to operate properly and indefinitely when he, rightly or wrongly, is at the centre, apparently, of a criminal investigation. I have had reports that the Board of Directors of Air Canada finds this to be an intolerable situation. In questions in the House, Madam Speaker, I have used the analogy of what happens when a policeman is under investigation. It is routine that the policeman is suspended pending the outcome of the investigation. There is some similarity with this situation because both have elements of public trust and it has to be clear that the public trust is not abused. There is no presumption that the policeman had acted improperly, but when the investigation is completed and the policeman is cleared, then he is reinstated. The suspension is not made or a leave of absence given because there is a presumption of guilt. The policeman is suspended because he occupies a position of public trust and responsibility.

Mr. Baker (Nepean-Carleton): But their pay continues.

Mr. Nowlan: Their pay continues, as my friend, the Hon. Member for Nepean-Carleton (Mr. Baker), says. It is imperative that the public perceive that there is no possibility that the public trust is being abused. I suggest, Madam Speaker, that the Chairman of Air Canada is in a position of high trust and responsibility in one of the leading Crown corporations in the public domain.

This Government may say that to remove the Chairman now would be to imply guilt. If that is in fact true, the situation has arisen only because this Government failed to give the Chairman leave of absence when it should have done so. When the Minister had this confidential information about a pending criminal investigation before anyone else even heard about it, that was the time for ministerial responsibility to be exercised so that Air Canada did not become contaminated through the criminal investigation. It was then the time to do so, at the very beginning of the investigation, before it ever got on the floor of the House and into the newspapers of the land. Sadly, Madam Speaker, I suggest that in effect the Minister is now reaping the penalty for his failure to discharge the responsibility that was clearly his. If it was not clearly his duty, it was clearly the duty of the Prime Minister who has the ultimate responsibility for Government policy. In this case I think he is very directly involved in the appointment of his friend, the Chairman of Air Canada.

There is another way, Madam Speaker, of looking at the matter of the Chairman continuing in his position pending the outcome of the investigation. Essentially he is appointed by the Government acting on behalf of all the people of Canada. The people of Canada own this airline, even more so than PetroCan where we have had advertisements saying: "It is ours". Well, Air Canada is ours. It belongs to the people of Canada. The Chairman is ultimately accountable to the whole country. Each Canadian is a shareholder, so the Chairman has a duty to explain his actions. If he does not do so, it is not that we say he is guilty of a crime; we just say he should not continue in the absence of explanations as Chairman of a Crown corporation.

There are many questions I could pose today, if I had the time, not about criminality but about conduct in office. The questions are very vital. I do not think it has ever occurred in the history of Crown corporations that one could even pose these questions, none of which have been denied.

Mr. Pepin: We have an inquiry, for heaven's sake.

Mr. Nowlan: What has the Chairman of Air Canada failed to explain? There is the matter of his alleged request to TAP, the Portugese airline, for three free tickets to Portugal for his friends. The Montreal *Gazette* reported on April 27 that an internal TAP memo said that Mr. Amyot said he would be "very instrumental" in getting landing rights for TAP in Toronto. Now, TAP has very carefully denied that Mr. Amyot was actually involved in its efforts to get landing rights in

Toronto, but they have never denied they were approached by Mr. Amyot.

Madam Speaker: Order, please. I am sorry to say that the Hon. Member's time has expired and I have to interrupt him.

Mr. Benjamin: Madam Speaker, this corner of the House would be only too happy to agree to the Hon. Member being allowed to continue his remarks.

Madam Speaker: Is there unanimous consent that the Hon. Member be allowed to continue with his remarks?

Mr. Flis: They are despicable remarks but we agree to allow the Hon. Member to continue.

Mr. Nowlan: Madam Speaker, I will not trespass on the patience of the House by referring to my hon. friend's diversion. The public will in time find whether these are despicable remarks. Questions have been asked in the House and they are properly in the public domain.

I thank the House for giving me the time to continue. I have a text, so I will not be as long as I usually am when I sometimes ramble without a text. I appreciate the courtesy of the House as I lead off this debate for my Party.

I have referred to this TAP memo before and it has not been denied. I think we ought to have a clear explanation from Mr. Amyot. If he cannot or will not give an explanation, then he should be removed from his position as Chairman. Again, I am not talking about any criminal offence. If we cannot get answers from the Chairman of the Board, he should no longer stay as Chairman pending completion of this matter. In the case of the alleged request to TAP Airlines, it is particularly important to receive answers from Mr. Amyot because, as has been reported in the *Gazette*, if TAP Airlines obtain landing rights in Toronto, then Air Canada's business between Montreal and Toronto will suffer. Therefore, there is a possibility that the Chairman was in fact acting against the interests of Air Canada. Surely that is a legitimate question in the public domain.

• (1230)

Again, the Chairman of Air Canada has also failed to explain what connection, if any, he has had with Mr. Bertrand Dufour, the man who was trying to arrange a loan of $500 million or $1 billion to Air Canada. The *Gazette* has reported that Mr. Dufour is an associate of Mr. Amyot and is now in Europe looking for funds to invest in a resort project in Portugal in which the *Gazette* states Mr. Amyot is involved. Did the Chairman of Air Canada have personal dealings with Mr. Dufour at the time the loan negotiations were taking place? Again, there is the possibility of a conflict of interest, and Mr. Amyot should discount it or be replaced in Air Canada. He has the capacity to make any public statement he wants.

There is also a matter which Mr. Amyot should explain. I should point out that, like all the other matters which I mentioned so far, it is an issue which has been raised in the press and not first by me in the House. Therefore, it is not as though I, alone, have been asking these questions. The matter concerns a meeting which took place in Paris. The Montreal *Gazette* of May 14, reports that Mr. Amyot attended a meeting in Paris in March of 1982 with a French financier at which "they discussed possible financing for a development project for Air Canada's head office called Place Mont Royal". Again, there is a possibility that the Chairman was acting in conflict with the interest of Air Canada.

Mr. Pepin: Protecting yourself all the time, aren't you?

Mr. Nowlan: Again, the Chairman should be called upon to explain. Let me point out again that the Chairman certainly has the prerogative of not explaining. However, if he does not explain, how can he continue to be the Chairman of the airlines if there could be possible conflicts of interest?

There are other matters which I think the Chairman should explain. For instance, why did he meet with Joseph Zappia, a fugitive from Canadian justice, in Rome?

He should also explain whether he has any interest in the company called Fidusco International Limited, a company which was incorporated in Nassau, the Bahamas, on December 2, 1981, a company which has been linked with a kickback deal, as reported by the Montreal *Gazette* in a large story on Thursday, May 28, I believe. I will not take the time of the House to read the particulars of the story, because it was not raised by me and there are no questions in the House. However, the story, which has not been denied, sets out the details of a contract and a kickback between one person and A.E. LePage. I should make it absolutely clear again that there is no evidence before the House that Mr. Amyot had an interest in Fidusco International. However, as Mr. Amyot does own a sizeable part of a Quebec incorporated company called Fidusco Limitée, he should perhaps be called upon to explain that it is merely a coincidence that a similarly named company incorporated by a friend had an interest in the Air Canada site selection.

There are many other matters that I can mention. I do not want to trespass on the patience of the House. I have a whole series of questions concerning which I have asked Air Canada itself to reply. They could definitely go accountability, separate and apart from any questions I have asked about Mr. Amyot. Other Hon. Members will be speaking of accountability and the lack of control of Crown corporations. I do not want to trespass too far. However, there are questions which Air Canada has a necessity to answer in terms of the public interest. There must be some further evidence from Air Canada at some time before the Transport Committee stating the proposals that it was considering for Air Canada headquarters. I have a list of the questions which I had sent to the Chairman of the Transport Committee, comprising two pages, which Air Canada should answer. Therefore, I am not only trying to focus attention only on the Chairman of Air Canada, but also, obviously, on Air Canada's responsibility.

• (1240)

I will not trespass any further, but let me say only that, regardless of the pejorative comments of my friend, the Parliamentary Secretary to the Minister of Transport (Mr. Flis), about my questions, the fact of the matter is that we know we have privilege in the House so that matters in the public domain can be discussed without fear or apprehension of having to run into men-of-straw lawsuits.

Certainly, when there is a political appointment to one of the top Crown corporations of the land, and when there are questions about the cross-over of personal dealings with his part-time activity as Chairman, in effect, involving Air Canada property, tickets, let alone stationery, then I think these are public questions which must be asked, separate and apart from any criminal investigation.

I will conclude as I began, by saying that I have a great deal of respect for the Minister of Transport and for many of his officials. However, I really do believe that, for whatever reasons, he is biting off more than he can chew. We know that he was under tremendous pressure involving the Crow when he did a flip-flop, which he certainly thought would help but which actually aggravated the situation. He is trying to bite off more than he can digest. The legislative process, let alone the people of Canada, cannot accept it all in a short duration of time to really make up for a great deal of inactivity over a long period of time. After all, the present Government has been the Government in power for the majority of time, sad as that may be for the Canadian public.

Therefore, I hope that the debate will focus on other areas where there is chaos, confusion and concern so that the Minister will appreciate that from coast to coast, in many areas, there must be a tenderness, a moving ahead and respect for the concern of people so that there are not closures on Crow and there is not silence on questions about chairmen of Crown corporations. Others will speak of other Crown corporations. These are questions which must be answered. The longer they are left unanswered, the longer suspicions will be created. The smoke is there. We all know that when one tries to smother a flame, it bursts out in other places, and it is not a very healthy situation.

I think that at least the Minister or someone in the House on the Government side must make a statement very soon to clear the cloud which is around Air Canada, rather than the cloud around individuals which is infecting and affecting Air Canada.

Mr. Pepin: I would like to ask a question. Speaking of clearing a cloud, would my hon. friend leave us with a message before he finishes his remarks? Will he tell us if his Party is generally favourable to more control by the executive of Crown corporations or more control by Parliament on Crown corporations?

Mr. Benjamin: No, by Parliament.

Mr. Pepin: Would he tell us whether his Party is in favour of more autonomy for Crown corporations? Would he also tell us whether his Party is in favour of more privatization for Crown corporations, or is it in favour of all four?

Mr. Nowlan: The answer to that could be another whole speech, which I will hopefully make some day.

Mr. Pepin: Well, your general view.

Mr. Nowlan: My very brief answer is that we can philosophize about Crown corporations and, certainly, there are many areas where my Party believes in privatization. However, the big thing which is fundamental to the process is accountability. That is the big thing. That is the reason we are all here. The Minister knows, as a former professor, how we originated in terms of the battle of the purse and how this Chamber is the Green Chamber, the medal behind the shadows of the castle. Therefore, it could compromise the King's purse and did not have to send women, soldiers, cattle and horses off to the wars. The people resented it and fought the battle of the purse. We know it is difficult, with the complexities of Government, the complexities of Crown corporations and the amount of control involved, but that does not lessen the desire and the need to try even harder to exercise some control.

I do say very specifically that when Crown corporations are treated as political, personal fiefdoms, it does not help accountability.

THE ROYAL ASSENT

[*Translation*]

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

Madam Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate Chamber.

And being returned:

Madam Speaker: I have the honour to inform the House that when the House did attend His Honour the Deputy to His Excellency the Governor General in the Senate Chamber, His Honour was pleased to give in Her Majesty's name the Royal Assent to the following Bills:

Bill C-160, an Act to amend the Salaries Act—Chapter 149.

Bill C-156, an Act to amend the Unemployment Insurance Act, 1971 (No. 3)—Chapter 150.

Bill S-35, an Act to incorporate the Eparch of the Eparchy of Saints Cyril and Methodius of Slovaks of the Byzantine Rite in Canada.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—TRANSPORT POLICY

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

That this House rejects the Government's policies with respect to transportation, which have caused concern, chaos and confusion, as demonstrated by its loss of control over Crown corporations such as Air Canada, C.N., and Canadair and the political preference, secrecy and negligence that it has shown in its dealings with such private concerns as Maislin, and condemns the Government for its failure to demonstrate fairness, accountability and leadership in its activities.

He said: Madam Speaker, there are many other matters which could be mentioned but I know that my friends in the NDP have points to make. In view of the time, I wonder if we could not facilitate the orderly business of the House if I were to call it one o'clock so that any other speaker would not be interrupted just as he began. I have basically finished my contribution to the debate involving the very specific problems of Air Canada. What would the mood of the House be, after giving me an extension of time, to perhaps calling it one o'clock now so that the NDP spokesman could have a fresh start?

Mr. Skelly: Mr. Speaker, I am quite prepared to agree to that. I just wonder if the previous speaker might entertain a short question, and then we could call it one o'clock.

The motion is very timely. I think it is important to place this issue on the record. We support the concept that the transportation system in this country is in chaos. I noticed that the Hon. Member did not include, as one of the serious effects of that chaos, the chaos that has been caused in native communities because of inadequate transportation. Many native communities are well outside of the mainstream of transportation. I am concerned that we are talking about issues which do not primarily deal with people's problems. Of late, the Conservative Party has concentrated on that.

As an example of these problems I would point to a band at Bella Bella of a thousand people whose needs include hospitals, RCMP and a desperate need for transportation. The cost of living is astronomical. It can all be brought down to the transportation system. That community needs a wharf, a roll-on, roll-off ferry system and an airport. They are being denied that by the federal Government. I would say it is an example of dozens of communities and tens of thousands of natives in that same situation. They cannot operate that community effectively.

• (1250)

One other interesting point is that the Government has failed to deliver on its responsibilities to the native people on the transportation system. Ultimately other Government funds that are being spent are squandered. The transportation system is vital. I know the subject of the native people was probably inadvertently left out as a priority, but I would really like to hear the Hon. Member's comments on the transportation system and what the federal Government should be doing to bring native communities into the mainstream of the economy of Canada by boosting transportation.

Mr. Nowlan: Mr. Speaker, there is no doubt the Hon. Member for Comox-Powell River (Mr. Skelly) has mentioned a very valid point. He himself agrees it is in a very important area that is not specifically covered in this general resolution on transportation. Quite frankly, it was deliberately drafted in terms that are general enough so that different Members could perhaps focus on different areas of concern. In this motion we are primarily focusing on the concern of transportation in general and its relation with the Crown Corporations that are also related to transportation, and the problem of accountability and ministerial responsibility. We could have used many words in drafting the general terms of the motion. They were really the words of a former Minister of Transport in the present Government, namely, the Hon. Len Marchand when he was Minister of Transport, who said that Transportation was in a mess.

Unfortunately, even though the Government is still holding the reins of power, I would think, as I have tried to illustrate today, that there are still areas of mess causing chaos, confusion and concern. One of them is very definitely the matter which my hon. friend from Comox-Powell River mentioned, as well as the matter referred to by an Hon. Member from the Official Opposition, the Hon. Member for Carleton-Charlotte (Mr. McCain), who wanted to get involved in something in his area concerning ferries and the Grand Manan problems.

There are many different problems affecting transportation. I really do believe, without discounting the concern of the Hon. Member for Comox-Powell River, that the question he raised is one that will certainly be canvassed more on an Opposition day devoted to the subject of Indian Affairs or before the committee responsible. The Hon. Member is quite right that I did not get into all the particular problems affecting different regions and different groups within regions.

Mr. Skelly: Mr. Speaker, it is an area of concern of mine and it is not regional. I used one example, but that example stands for hundreds of communities across Canada. In this House Members ignore native people. There is a tendency to focus on what is in the headlines and where it is at today. But the frustration that I and other Members have experienced in the House with this Government is that the topic is not debated enough. We do not make it a part of our priority system. The other day we had a debate on forestry. It was an excellent debate. But the Conservative Party did not mention native people. I think many Members afterwards began to mention the native people. They realize it is important to mention them and remind the Government of its total failure with regard to a large group of people in this country who span the entire country. With that in mind I think the motion would be supported generally.

Mr. Nowlan: Mr. Speaker, if that is the last question, although I am ready to take other questions, to facilitate the

orderliness of debate I think it would be appropriate to call it one o'clock, if the House so approves.

Mr. Deputy Speaker: I now call it one o'clock, and I do now leave the Chair until two o'clock this afternoon.

At 12.56 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

ELECTORAL BOUNDARIES READJUSTMENT ACT

TABLING OF REPORT OF COMMISSION FOR THE NORTHWEST TERRITORIES

The Acting Speaker (Mr. Blaker): It is my duty pursuant to Section 19 of the Electoral Boundaries Readjustment Act, Chapter E-2, the Revised Statutes of Canada, 1970, to lay upon the table a certified copy of the Report of the Electoral Boundaries Commission for the Northwest Territories.

* * *

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 62—TRANSPORT POLICY

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

That this House rejects the Government's policies with respect to transportation, which have caused concern, chaos and confusion, as demonstrated by its loss of control over Crown corporations such as Air Canada, CN and Canadair and that the political preference, secrecy and negligence that it has shown in its dealings with such private concerns as Maislin, and condemns the Government for its failure to demonstrate fairness, accountability and leadership in its activity.

The Acting Speaker (Mr. Blaker): I understand that when the House rose for lunch the floor was clear. Therefore I will recognize the Hon. Member for Regina West (Mr. Benjamin) at this point.

Mr. Les Benjamin (Regina West): Mr. Speaker, the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) still has the floor. If he wants to rush in at the last second, he could still have it, as far as I am concerned.

At the outset I want to say that we support the motion of the Hon. Member for perhaps somewhat different reasons. There is no question that the entire matter of accountability of Crown corporations has always been and will continue to be of prime importance and deserving the attention of Parliament, legislatures or municipal Governments.

Mr. Fennell: Get rid of them all.

Mr. Benjamin: Those who say, "Get rid of them all" are the Neanderthals of the eighteenth century. Perhaps I should explain why Crown corporations were set up in the first place. It was because they were in areas in which the private sector could not or would not take part or, if it took part, required public subsidy.

I want to move an amendment to the Opposition motion because I think the accountability principle must be extended also to the shareholders and customers of private corporations in transportation as well as the public ones. I will not take a back seat to anyone, being in support of having a publicly owned national airline, a publicly owned national railway and several other publicly owned transportation utilities. I am not under any illusion that they will be perfect. Any organization run by people will be imperfect.

I will not hesitate to criticize any details of their operations or how they conduct their affairs if I feel it is necessary. We are fortunate that Air Canada is a Crown corporation. It is something which all nations have, all except one country to the south of the 49th parallel. All nations have a national airline for a variety of reasons, not just ideological ones. We agree that there are problems with the expensive golden handshake for management people compared with employees when they are being laid off or are trying to obtain early retirements and voluntary separations.

I question whether or not this is the time to get into a $30 million new head office. I question the misuse of the resources of Air Canada, whether it is by a member of its executive or anyone else. It is not surprising that, because of government policy, within the commercial marketplace in which Air Canada and CN operate, they cannot and do not operate any differently from private corporations which are in the same marketplace. Canadian National has been jacking up rates on containers shipped by rail out of Halifax while at the same time investing in competing shipping lines. I find that strange. Canadian National has abandoned branch lines in dozens of communities. One would expect that of Canadian Pacific, but one has to question that action when it is taken by a publicly owned corporation.

• (1410)

If the accountability of corporations in the private sector is improved, I submit there would then be less commercial pressure on Crown corporations to behave in the same way as do private corporations. In other words, there would be less pressure on Crown corporations to behave irresponsibly. Most corporations in the private sector which are involved in transportation are substantially financed and subsidized by taxpayers. They always have been. If the private enterprise system is so great in the transportation sector—and one could mention other sectors but we are dealing with the transportation sector—why has the private sector been incapable of doing the job by itself? It has always had to have public subsidy and public financing, and therefore it seems to me that the private transportation sector loses the right to claim that its work is private property and that it is confidential, that it is not as accountable as a public corporation is in the same endeavour and that it can do whatever it pleases. That has been the history of the Canadian Pacific Limited since 1881.

It seems strange to me that a private railway company can sit at the public trough and get subsidies and financing and not be accountable. How much do the shareholders of Canadian Pacific Limited really find out at their annual meetings from its officers about the company's internal operations and the use of the company's resources. Mr. Speaker, if you were to buy one share in Canadian Pacific Limited or CP Enterprises Limited and were to go to the annual meeting, you would see how far you would get when you asked what was happening to your investment. You would get voted out of order so fast that it would make your head spin.

I submit, Mr. Speaker, that not only Canadian National, Air Canada and other Crown corproations must be accountable to a public body such as an appropriate standing committee of the House of Commons, but, in the field of transportation, so should the private corporations be accountable. Because most of these corporations exist only because of public financing and public subsidy, they are answerable to the public and the public is entitled not only to answers but, if possible, to some kind of social and economic return on their investment.

Let us take Canadian railways as an example. Taxpayers paid 60 per cent of the total original cost to build the CPR. Do taxpayers have any share in it? Do taxpayers have any say in it? Since 1881, Ministers of Transport under the law should, in theory, have been able to control the railways. We all know that they could not and they did not. Eighty one per cent of the investment for Canadian Northern, a private enterprise operation, was put up by the taxpayers, and 65 per cent of the investment for the Grand Trunk Pacific was put up by the taxpayers. When those companies went belly-up and Canadian National was formed, the taxpayers paid a second time. All of the bond holders got their money back. The banks and the financiers got their money back. We have been paying them off. We have been paying them back their original investment with interest. Over $2 billion worth of those debts have been transferred to the books of the Government of Canada. Canadian National is no longer victimized by operating losses because of the interest charges on those old debts. Who has ever asked those private sector railway companies to account for their practices and to account for what was done with public funds that were obtained?

We believe, Mr. Speaker, that every Crown corporation and every private corporation that is involved in a joint enterprise with the federal Government and with taxpayers or who receive, request and accept public funds by way of either capital investment or operating subsidies should be equally accountable before an appropriate committee of the House of Commons. May I say something about those committees, Mr. Speaker? The appropriate committees do not have sufficient authority to require Air Canada, Canadian National or any private company to be really forthright in opening up their books and providing complete access to them for Members of Parliament.

I suspect that there are things that even the Minister of Transport (Mr. Pepin) and the Canadian Transport Commission do not know and cannot find out about Canadian National, Canadian Pacific, Air Canada, CP Air, and a whole host of other companies. I would not want to see the ability to find out about these things reside only in the hands of the Minister of Transport of the day. That ability should also reside in the hands of Parliament, the Ministry and the appropriate committee of the House of Commons. That should apply to all Crown corporations and to all private sector corporations that accept, receive or enjoy an enterprise thanks to the taxpayers of Canada.

Surely the taxpayers of Canada are entitled to a return on any investment they make. Like motherhood, everybody agrees with the Minister's proposal on the upgrading of railway lines. The only difference of opinion is about how that is to be done.

I do not understand how my friends in the Liberal Party and the Conservative Party who support free enterprise and private enterprise could object to my proposal. I have yet to hear one of them object to my proposal, and I have been proposing it for the last 15 years. I do not see how they could object to taking equity ownership. I do not see how they could object to being eligible for or having the opportunity to get a return on the taxpayers' investment by way of interest or dividends. I do not see how they could object to taxpayers being eligible for representation on a board of directors and to have those representatives protect the investment of the taxpayers and look into the well-being of that investment. When I propose a good, sound principle, a good fundamental private enterprise exercise on behalf of taxpayers, my friends are silent.

If the investment of a private investor was treated the same as the investment of the taxpayers has been by the railroads, both public and private, we would hear a hue and cry from the Members of the Liberal and Tory Parties such as we have never heard before. But if it is the taxpayers' investment that is at stake, they are silent or they do not believe it or they will not agree that the taxpayers, through the Government, are entitled to a return on that investment just like any private investor. They are entitled to equity ownership.

• (1420)

The Minister of Transport wants to put up hundreds of millions of dollars in capital to upgrade railways, and we agree with that but it will continue what has been going on for 100 years—just give them the money and away they go. Is there any prospect of a return on that investment? There is a slight prospect of the return of any money that CN gets. I think they paid a $5 million dividend last year to the Government for the taxpayers of Canada. That is not very much when you consider the total investment, but it is a beginning. Why should the same not apply to Canadian Pacific? If they are going to get $200 million or $300 million each year for the next nine years, should the taxpayers not be entitled to a return on that capital investment?

I am not talking about subsidies for proven out-of-pocket losses incurred in hauling grain or any other commodity, Mr. Speaker. That is a subsidy. No Crown corporation or private corporation should be allowed to make a profit on the subsidy itself. When funds are put forward for investment in the

capital infrastructure of corporations, public or private, surely it is given to get a return, using the good private enterprise theories about investment and profitability of my hon. friends in the Liberal and Tory Parties. I presumed that the Minister and his colleagues and my friends in the Conservative Party would leap to their feet in support of our alternative proposal to spend exactly the same amount of money as the Minister proposes under Bill C-155 and allow taxpayers the opportunity of a return on the investment by taking equity shares, both increasing our equity ownership in Canadian National and taking the common voting equity shares in Canadian Pacific. What is wrong with that? I thought I would be a hero among private enterprisers for suggesting that, but they are silent. I do not understand it. I make a proposal which is totally in accordance with the private enterprise and profitability principles of the Liberals and Tories and they will not support it. I do not understand that. Surely it makes good common business sense.

I sent the Minister a copy of our alternative proposal and he has read about it in the press but I have not received a reply from him. I cannot get a word out of the Tories about it. I do not understand this, Mr. Speaker. It looks as if the Liberals and the Tories want to keep their private enterprise friends feeding at the public trough with subsidies and capital investment which is a straight handout. They want to continue a practice that has been going on since 1881 and even before. Where is this accountability of the public investment, the taxpayers' investment that the motion speaks of?

I should like to move, seconded by the Hon. Member for Comox-Powell River (Mr. Skelly):

That the motion be amended by inserting the following immediately after the word Canadair: and private corporations such as Eastern Provincial Airways, Canadian Pacific Limited, and Power Corporation of Canada.

My amendment does not abuse the thrust of the motion of the spokesman on transport for the Official Opposition. It seems to me to enlarge the whole principle of accountability for and what is done with public contributions to the private sector as well as to the public sector. It also allows for scrutiny of what is done with those funds as and when they are contributed by the taxpayers of Canada through the Government of the day.

Surely before this Parliament dies an unnatural death it could come up with a method of referring annual reports of all Crown corporations and any private corporation which receives public funds to the appropriate standing committee of Parliament. Those committees should have power to investigate, and that should be a power conjoint with the Minister. The Minister and the Canadian Transport Commission should have an enlarged ability to find out what is going on in the books and in the practices of Crown corporations and private corporations which come down here on bended knee to ask for taxpayers' money to help them make a profit for themselves—and to hell with the taxpayers. Surely that makes eminent good sense, Mr. Speaker. It certainly enhances what is a responsibility of Parliament and of the Minister to peruse and call to account all the Crown and private corporations that receive grants, subsidies, tax rebates and tax deferrals. Canadian Pacific owes the people of Canada in excess of $1.2 billion in deferred corporation taxes, which we will never see.

I hope that this debate will cause the Government to meet with the other Parties of the House, and that when the standing committees meet in the fall they will be able to hear from the Crown corporations, question them and make them accountable.

Mr. Forrestall: Mr. Speaker, I have a point of order. I have some quarrel with the amendment, not necessarily its intent, although I might wish that my socialist friends would attack the private sector on their own time and in their own way. I do not have a copy of the amendment in front of me. That is the usual courtesy extended to other Members by that Party.

Mr. Benjamin: Sorry.

Mr. Forrestall: I submit that, to the degree the Hon. Member adds, immediately following the word "Canadair", those other corporations which are very clearly in the private sector, thus joining them with the intent of our motion and that is, to deal with Crown corporations—to that degree I find some grounds for concern with respect to the admissibility of the amendment.

The Acting Speaker (Mr. Blaker): I want to advise the Hon. Member for Regina West (Mr. Benjamin) that I am concerned about the admissibility of the amendments. When I look at the motion that is before the House in the name of the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan), which refers to a loss of control over Crown corporations such as Air Canada, CN, etc., the amendment proposes to apply the same words—a loss of control over private corporations such as Eastern Provincial Airways, Canadian Pacific Limited and Power Corporation of Canada. Obviously, within the terms of the language of both the amendment and the motion, the motion itself indicates a loss of control over public corporations. The amendment, by the nature of its placement within the motion, refers to a loss of control over private corporations. I believe that may give some problem. Obviously, the Chair is going to suggest that debate continue while consideration is being given to the amendment. However, I believe, if I may assist the Hon. Member for Regina West (Mr. Benjamin), a more appropriate place for his amendment would be after the word "Maislin" within the main motion, ". . . with such private concerns as Maislin, . . .", then "and private corporations . . ." follows. I am not sure that it is an essential matter and I wonder whether the Hon. Member for Regina West, after reflection, might consider accepting a suggestion to put his amendment in that particular position rather than the one he has proposed?

● (1430)

Mr. Benjamin: Mr. Speaker, I wish I had thought of that first. I am perfectly willing to have it inserted there, as long as it is inserted for the record. I would appreciate it. You are quite correct, it says, " . . . such private concerns as Mais-

lin . . .", and, ". . . and private corporations such as . . ." as mentioned in my amendment fit in there perfectly, and that is the proper place for it to be.

The Acting Speaker (Mr. Blaker): I thank the Hon. Member for Regina West for his co-operation. In that case, the Chair has no difficulty. Accordingly, the motion as amended by the Hon. Member for Regina West, seconded by the Hon. Member for Comox-Powell River (Mr. Skelly) reads:

That following the words, " . . . with such private concerns as Maislin . . .", the motion is amended by inserting the following immediately after the word "Maislin":

. . . and private corporations such as Eastern Provincial Airways, Canadian Pacific Limited and Power Corporation of Canada.

Accordingly, the motion is found to be in order and debate will continue. Comments, answers?

Mr. Bosley: Mr. Speaker, I would like to ask the previous speaker this simple question: would he please enlighten the House as to what political preference and secrecy the Government has shown in its dealings with the private railway? That is the motion he has just moved.

Mr. Benjamin: Mr. Speaker, the political preference goes back to 1881, for Canadian Pacific Limited, the failure by the Government to enforce Canadian Labour Relations Board decisions in the case of Eastern Provincial Airways and, I submit, favouritism given to Voyageur Bus Lines owned by Power Corporation of Canada, headed by, I believe, Paul Martin, son of the Paul Martin.

The point is, Mr. Speaker, that all of these corporations directly and indirectly have received public taxpayers' funds, either by way of subsidy or by way of capital investment, for which they should be accountable, the same as a Crown Corporation. Surely, that is only reasonable. Surely, it is only proper that Members of Parliament have a responsibility to make those who receive subsidies and funds for capital investment accountable. Private corporations are just as accountable to Parliament as the Crown Corporations.

That is the point which I have been trying to make. I could make a list as long as your arm, Mr. Speaker, in answer to my hon. friend, of private corporations who tell us, "Leave us alone. We want deregulation. We want the marketplace to function and operate. Leave it to the free and open market", ad nauseam. I have listened to Liberals and Tories, the Chambers of Commerce, the manufacturers' associations, the exporters associations, for 15 years, who lecture us to leave them to the free and open market, to leave them alone, to deregulate. And every time, Mr. Speaker, the economy goes to hell in a handbasket, who are the first ones in line with their hands out, begging for a piece out of the public trough? They tell us they are prepared to take their chances of making a profit or going broke. They are the ones who tell us, these Grits and these Tories, that private enterprise is the way to go, and they are the ones who say, that if they go broke, they will not cry about it. However, they do cry about it and they come to Ottawa and ask for subsidies. They ask to get bailed out, that is, the Chrysler's, the Massey-Ferguson's and the Maislin's of this world.

Whatever happened to private enterprise? If the Liberals and the Tories are correct, they should have let them go belly-up. They should have let them take their chances in the marketplace, Mr. Speaker. But, no, Sir, Mr. Speaker, they ask for loan guarantees, subsidies, money for capital investment. They should then be damned well accountable to Parliament for the funds which are provided to them both directly and indirectly, the same as would apply and should apply to a Crown corporation.

The Acting Speaker (Mr. Blaker): Questions and answers? Comments? Debate.

Hon. Jean-Luc Pepin (Minister of Transport): Mr. Speaker, I would like to say a few words first about the motion, and the mover of the motion, particularly. The Hon. Member was quite kind to me and paid me a very interesting compliment, at least, that is the way I took it. He told me that I was too active. I have been reflecting on that subject for a while. He was kind enough to indicate a number of the programs and projects in which I have been, in his view, too active. He mentioned the Crow, the Maritime freight rates, Quebecair, and a number of others. I take this as a compliment because it is my view that the role of politicians is to be active. If they are to sin, as they must, because everyone does, they should sin on the side of over-activity as opposed to the opposite.

I am always reflective on Friday afternoons because the quality and the size of the audience leads to that. As I say, I have been reflecting on this subject. I believe that people go into this political process for much more than simply to administer current affairs. They do so because they believe in movement, because they believe in objectives which must materialize in their own lifetime. The Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) put me in that mood. I recalled a book, which he should read, even if it is in French. I presume he is the future leader of his Party so he must be studying languages these days. The book is called *Essai sur l'accélération de l'histoire.*

The idea is simply to demonstrate that events today are happening faster and faster. In other words, changes which in the past would take a century or so to materialize, are now materializing in 50 years, 25 years, 10 years, 5 years. Consequently, the comment which the Hon. Member made on my super-activity is taken as a compliment because politicians and Governments in general will have to learn to tackle change in a much more rapid way because history is accelerating. We cannot afford any more to wait 86 years for the Crow to change. We must adjust more rapidly. That was my first reflection, and so I took his comment as a compliment and, hopefully, a few others will.

My second remark will be very brief. It has to do with what the Hon. Member said about what he called "the Air Canada affair", or the "Amyot affair", I do not remember exactly. I believe he used both expressions. I had a short discussion with a friend of mine yesterday—he is a mutual friend, as a matter

of fact—and I said to him, "Do not tell me that the Hon. Member for Annapolis Valley-Hants is going to regurgitate all that again?" He thought so, but I said, "No, no. The Hon. Member for Annapolis Valley-Hants is not going to do that this afternoon. He is going to talk about great principles, accountability, respectability, and that sort of thing. He is not going to repeat what he has said in the House and in committee so often now that I presume he is getting bored with the sound of his own voice". But he did, Mr. Speaker. The Hon. Member did. I was a bit embarrassed for him because I respect him. He is a great chap, a lawyer and a respectable person. I am quite sure that people in the audience must have been embarrassed for him as well, having to do what he did. In a sentence, for exmaple, he would say, "If Amyot . . . " that is, the Chairman of Air Canada, " . . . is at the centre of the investigation", then a few sentences after he would say, "and we do not know". Then a few sentences after that, he would say, "The man has been wheeling and dealing for his own personal gain". There are implications there that really are not worthy of a lawyer and a man who has respect for the law. I say that in all sincerity.

• (1440)

I was embarrassed so I will not continue with respect to the phone call I made at the time. I said what I had to say in the committee. My friend must admit that I extended myself as far as I could in the committee. When I did not know, I said I did not know. With respect to the phone call I made, there is no doubt that if the RCMP inquiry finds that I was negligent—what is the word, guilty of—

Mr. Nowlan: Indiscrete.

Mr. Pepin: —indiscrete in making the phone call, even if it had been approved by the RCMP, as everyone knows by now, I will be the first to apologize. But I doubt very, very much that it will have any effect on the inquiry whatsoever. Suppose it does? Again I would be the first one to apologize for having done that. But again I did it with some approval because I knew it was a bit unconventional to do that. But then I thought the relationship between the Minister and the Chairman was of such a nature that it demanded that sort of a call. But this is all debatable; no one has a monopoly on truth and good intentions in this world, particularly the person who is speaking and the person who spoke.

Be that as it may, as you say so beautifully in English—

[*Translation*]

Mr. Speaker, as I said a few minutes ago, on Fridays I always feel a little reflective and philosophical, so I have been reflecting, ever since I saw a motion would be moved concerning Crown corporations which, as we all know, are a phenomenon that is particularly popular in Canada. I do not think Canada invented the Crown corporation, but I do think Canada must have more of them than any other country in the world. Perhaps we should ask ourselves why this system is so popular in our country and what are the basic concepts of the system of Crown corporations in Canada. It seems to me that the weakness in the speech of the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) was that he failed to discuss the philosophy and the concepts on which the Crown corporation is based. I do not wish to seem arrogant, but if he had fleshed out his speech a little by saying exactly what a Crown corporation is supposed to be and that the Minister of Transport was not acting in accordance with the principles of this system, I would have been impressed, but unfortunately I am not, because he failed to base his views on a more or less thorough analysis of the concept of a Crown corporation. In fact, that is why I asked him whether my hon. friend would like more control by the Executive over Crown corporations or more control by Parliament, and whether he wanted more autonomy for Crown corporations or whether he was in favour of privatization. I think all this is important. I have thought about it, and I know what I want. I am a Crown corporation enthusiast. It is one of Canada's great achievements. I think Crown corporations are respectable and I think we should appreciate the originality and the intrinsic value of this kind of system. I shall get back to this later on.

So what is a Crown corporation? Well, they are public enterprises whose shares are held by the Government. They have an economic purpose, at least the ones we are discussing today. Crown corporations in the transportation field have an economic function and purpose. They are created and governed by an Act of Parliament, by either specific or general legislation—in any case, I do not have to go into all that, since all this is generally known and they are accountable to Parliament through a Minister of the Crown, and it is a very essential characteristic of Crown corporations that they are accountable to Parliament through a Minister.

So here we have the whole problem of instruments, the entire range, if you prefer, of customary controls, which include the control exercised by the Minister himself, by the Executive, by Cabinet, by the Minister of Finance, by the President of the Treasury Board, and also by Parliament, which does so through the usual mechanisms of questions, debate, tabling of annual reports, and so forth, and last but not least, budgetary controls. So you see we are not particularly lacking in controls over Crown corporations. There may be a feeling that these controls should be improved, but the fact remains that there is a full-grown system in place with audits and what not. It is a complete system, created by Canadians, and it stands by itself.

In a few minutes, my Parliamentary Secretary, the Member for Parkdale-High Park (Mr. Flis), is going to speak, and he will show how these controls have been improved in recent years and how they will be further improved in the future. The Hon. Member will talk about the progress that has been made in this area. I think we shall learn some interesting facts, such as the creation of a Crown corporation unit in the Department of Transport, whose task is to co-ordinate information. I do think we shall be hearing some very important and very

interesting facts. Mr. Speaker, this is not to say that we have no problems. We do have problems every single day, and they are brought up in the House in the questions I am asked. We do have problems, but I do not think we have *a* problem, that is, I do not think we have a really serious problem that threatens the very existence of Crown corporations. I do not think that is the case.

So what is a Crown corporation? I have tried to define this concept, but what is essential to a Crown corporation? It is a public enterprise existing within the framework of a mixed economy. In other words, we have Crown corporations or enterprises that are active in areas where the private sector operates as well. There is a measure of competition between the two. What is important as well about the Crown corporation concept is the fact that a Crown corporation is a public enterprise but nevertheless closely modelled after the methods, concepts, habits and techniques of the private sector. I want to emphasize this, because I think it is very important, and I am not being particularly original in saying that, because it is a commonplace in Canada. The Air Canada Act, for instance, clearly provides in Section 7 that:

"(2) In discharging its responsibilities under this Act, the Board—

—the Board of Directors—

—shall have due regard to sound business principles, and in particular the contemplation of profit."

This is very important! Crown corporations are, in fact, hybrid institutions in which the private enterprise or rather the private enterprise philosophy has a role to play. Once again, all this can be found in any number of documents I could name, and I have an example here, a quote from Van Loon & Wittington:

[*English*]

—combining the need for some degree of public accountability with the freedom of initiative usually associated with private enterprise.

That is the conventional approach to Crown corporations, as I have been saying all along.

[*Translation*]

And that is what constitutes the value of this kind of enterprise and also its originality. Unfortunately, it is also the reason why Crown corporations are so often attacked. But why? Some people will say that it is because they are modelled too closely on private enterprise, and others that the resemblance is not close enough. And so the debate goes on, because some people, including the Member for Annapolis Valley-Hants, are not quite sure about what they want. I do know what I want. I want the Crown corporation to have the goals of the public sector and the methods, techniques and psychology of the private sector.

I know what I want, and I think that as a rule, I do not contradict myself very often, because every time Hon. Members rise in the House to ask: "Does the Minister intend to tell the board of directors of Air Canada or CN or Northern Transportation what to do?"—my answer is no! My answer is that I rely on the boards of directors of these corporations for handling routine business. In other words, I try to be consistent. I am not in favour of out-and-out interventionism on one day, and non-interventionism in the extreme the next.

One may ask why the Crown corporation is such a popular and widespread institution in Canada. If we look at the literature, it will give you five or six reasons to explain the popularity of this phenomenon in Canada. Geography and the demands of Canadian unity have contributed enormously to the creation of Air Canada and CN, for instance. There is no doubt at all that if this country were not as big and as sparsely populated as it is in certain areas, there would have been no need for the public sector to create these enterprises. The fact that we do have them is due to geography and politics. History, the Depression and the Second World War ... During the Second World War, C. D. Howe, who was a private sector man if there ever was one, created 30 or so of these public enterprises. Another factor has been the increasing role of the State. The need to take up the slack of the public and private sectors has also been a factor. And in some cases, it was simply a matter of economic circumstances. I do not think we should make the mistake of assuming that the Government of Canada took over Canadair and de Havilland because of its socialist philosophy or just for fun or to be different. It did so because it had to. We had no choice. If we wanted to maintain this advanced technology industry in Canada, we had to act, and the Government's action was to create Crown corporations.

I am saying all this so that those who are listening will realize that the Government of Canada had a very practical purpose and very specific objectives in mind when it started creating these institutions. We must also remember that the popularity of Crown corporations is not restricted to the federal level but has filtered down to the provincial and municipal levels as well. Another important point I would like to make is that not one party in Canada has had a monopoly on creating Crown corporations. Many were created by the Progressive Conservatives, while the Liberals and Socialists have established a number as well.

My point is that although we may have reason to criticize the administration, operations and behaviour of Crown corporations, the fact remains that they respond to a basic given and need and to working methods that exist in Canada. Although criticism may be justified, I feel that as a general rule, we have every reason to be proud of what we have accomplished in this area in Canada. Once again, it is not something that is typically federal or municipal, Progressive Conservative or Liberal. In fact, what we have here is something that is truly a fundamental part of our political and economic life in Canada.

What does worry me a little, since this is an area where balance is of the essence, is that quite often I have noticed that some of my colleagues, and I am sure they are very well-

intentioned, would like to impose a kind of executive or parliamentary control over these corporations which I feel would be excessive. I know I am going to shock some people by saying this, but if we believe that the spirit of private enterprise is an essential characteristic of Crown corporations, we will not be doing Crown corporations a favour by trying to destroy that spirit.

It seems to me that we should ask ourselves one thing in this regard. I am not trying to force my views on my colleagues, but it seems to me we should ask ourselves whether the degree of Government control by the executive or Parliament itself over these corporations is not exaggerated occasionally. This is a serious question because I believe it is essential to strike a balance. I am not the only one to think so. What I am now saying is nothing new. If we look at certain writings, we find the following, for instance:

• (1450)

[*English*]

—that the Minister has nothing to do in the day to day operation of the corporation, but at the same time, he has the power to intervene if circumstances warrant it.

An Hon. Member: I doubt it.

Mr. Pepin: I am trying to put some reflection in the Hon. Member's mind. Hopefully, I will have success. The idea is simply that it is not easy to know when the Minister should intervene. The Minister should not intervene, certainly, each time the socialists ask him to because he will destroy the institution itself. That is for sure. It is not easy to decide each time there is a strike or each time the pensioners of one of these enterprises appears not to be fully rewarded for the wonderful work that they have done for the company, each time there is a layoff, each time the companies buy the wrong piece of equipment, according to the Members of the House, each time they do not locate at the right place, each time they do not defend the interests of the port of Montreal and the port of Halifax equally, each time they acquire a company which some Hon. Member thinks should or should not have been acquired, each time they do anything, really, each time nominations are made which do not meet with general support, each time some people here want to shake the institution itself. I am now reflecting, just saying to Members of the House that there is a delicate balance to maintain. It would be good if they reminded themselves of that fact.

[*Translation*]

Having said that, I want to take a few minutes to point out that Air Canada and the CN which my Hon. friend is criticizing are nevertheless very sound companies with an excellent international reputation. I do not condemn his criticisms, but I simply want to remind the Canadian people that these companies have a remarkable credibility both nationally and internationally. Air Canada, since—

The Acting Speaker (Mr. Blaker): Order, please!

[*English*]

I am sorry to interrupt the Hon. Minister. I have been trying to signal him for some time now that his allotted time has expired. Perhaps he might seek unanimous consent of the House to continue. Is there unanimous consent that the Hon. Minister may continue his remarks?

Some Hon. Members: Agreed.

Mr. Forrestall: What he is saying is ridiculous, but carry on, anyhow.

The Acting Speaker (Mr. Blaker): There is unanimous consent.

Mr. Pepin: I was desperately trying not to see you, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. Pepin: I was speaking of the general quality of these Crown corporations. Air Canada, for example, is the tenth largest airline in the world. It is considered by everyone, even today, notwithstanding the accident that happened yesterday, to be a very efficient airline.

Mr. Lapointe (Charlevoix): The best.

Mr. Pepin: Yes. Since recapitalization in 1970, its profits have totalled more than $200 million. It paid $53 million in dividends to the Government of Canada.

The Act states that Crown corporations should behave in contemplation of profit. They do maintain a high degree of efficiency. I was speaking of the awards they have received in recent days. In 1982, Air Canada received the Air Transportation World Award for technical management and excellence. Just a few days ago, it received the Design Management Award. In 1982, it received the Excellence in Communication Leadership Award. That is not bad, internationally. It has a very high reputation.

Mr. Huntington: Advertising.

Mr. Pepin: Yes. More recently, Air Canada was rated ahead of all trans-Atlantic airlines in passenger service by a prominent British travel magazine. Similarly, it has been avant-garde in service to handicapped people, for example. Similarly, it has one of the most sophisticated computer communication systems. This is a company of which I think all Canadians should be proud.

I respectfully submit that this applies to CN, too. CN has a great reputation for efficiency. I was in India some months ago and saw CN and CP jointly looking for a contract for the computerization of the Indian railway system.

• (1500)

Mr. Benjamin: But they will not fix their own tracks here.

Mr. Pepin: Nevertheless, they have a fine reputation. Perhaps it is not up to the standard of the Hon. Member who would probably like to see the rails table flat from coast to coast.

Since recapitalization, CN has shown a profit each year, except in 1982 due to the economic situation. CN also pays a dividend of 20 per cent of its earnings to the Government of Canada. Since 1977, these dividends have amounted to $145 million. My hon. friend does not believe in profit and that kind of incentive.

Mr. Benjamin: I did not say that.

Mr. Pepin: Well, we suspected that from what he said a moment ago when he appeared to be saying that he would like not only to establish a greater domination by Government and Parliament on Crown corporations but also to take over a number of other companies like Eastern Provincial Airways. He also mentioned Power Corporation and presumably he had Voyageur in mind.

Mr. Benjamin: Accountability with what they do with public funds.

Mr. Pepin: Be that as it may, CN is consistently ranked among the top five railways in North America for its safety record. CN does 88 per cent of its purchasing from Canadian sources, which is a very high percentage. I could go on.

My hon. friend is correct in seeing some aspects of the operation of these Crown corporations and their relationship with the Government as worthy of his chastisement and occasional angry chastisement. I want to balance the facts by saying that this is an institution to which Canadians have contributed tremendously in its development. We see here a balancing act between the spirit of free entreprise and public objectives and necessity. We have companies that have operated in a mixed economy and I think this has been a balancing act that we can be proud of.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I have one comment to make to the Minister. I listened very carefully to his position with respect to what Parliamentarians are about when they question the House of Commons, in the committee or when they assert, as I now assert, that Canadair is in violation of the Financial Administration Act. His position was that we are in some way attempting to control Crown corporations. That is not the purpose of those questions in the House and is not the purpose of questions in committee. It is not the purpose of our estimates process through which we can question Ministers and others.

What the Minister sometimes forgets and ought never to forget is that Parliament has no business as managers of Crown corporations. I know of no responsible Parliamentarian who would ever advocate that. Whether the Minister, the bureaucrats or the Government like it or not, our job is to hold Crown corporations or agencies accountable to the extent that we can with the machinery we have.

I want to make that clear because, in his George Bernard Shaw fashion, I believe the Minister was overstating the position that Parliament takes when it questions, doubts or raises alarm about occurrences in Crown agencies. I want the Minister to understand, and more importantly I want the public to understand, that as the Minister has the right to assert the place of a Crown corporation in the mixed economy or elsewhere, Parliament has a right to assert that those Crown agencies are under our control for the purposes of accountability. In many ways it is in our estimates that we grant a part of their funds and they cannot be separated. We do not want to run them; we want to make sure they are run properly.

Mr. Pepin: Mr. Speaker, I am very pleased and honoured that the Hon. Member paid so much attention to what I said. If he wants to recall what I said, I talked about strikes, acquisition, lay-offs and about change in facilities. I was attempting to attract attention to the fact that there are more important matters to control. My view is a provocative reflection since this is Friday afternoon.

My hon. friend gave a speech of the same nature a couple of weeks ago. It is a thought that I have as a recipient of these questions and inquiries from Members who are looking for jobs for their electors and while it is all very nice, I must wonder nevertheless if we are not detailing our attempt to control these Crown corporations too much and should rather preserve our energy and time for the larger issues.

Mr. Huntington: Mr. Speaker, the Minister very proudly announced the fact that Canadian National has paid $145 million in dividends since 1977. I believe that was the figure and I presume it is the collective amount of dividends since 1977. He announced as well that Air Canada had paid $53 million in dividends. I believe this is a trend in the right direction.

Does the Minister have any figures on total dividends returned to the Consolidated Revenue Fund by our Crown corporations? Are they paying a fair part of the corporate tax load in Canada toward the provision of all the social services that we are so proud of in this country? Does he see any improvement to this? He has mentioned two Crown corporations, but are there others paying dividends and are they likely to pick up their fair share of the tax load?

Mr. Pepin: Mr. Speaker, I regret that I am not an expert on the subject. I only have these two examples simply because I had them researched. My first reaction is that I do not think these cases of profit making can be generalized. I think that these are special instances.

I am enough of a socially oriented person not to be too greatly impressed by the size of the profit. I would have been more impressive had I been giving the size of the investments of these Crown corporations at the same time. The profit is nice but the extent of the investments that they make on an annual basis is a fact that I should have related as well.

It is my impression that CN and Air Canada are doing very well. They justify the pride we have in them.

Mr. Skelly: Mr. Speaker, I would like to deal with the Minister's responsibility for transportation as it relates to the resolution, which states that it has caused concern, chaos and confusion. I would like briefly to outline a situation of which the Minister is very well aware and which I think can generally be applied to many other areas in this country. It concerns the community of Bella Bella which is suffering from very high costs, problems with the delivery of mail and problems with economic development. It seems that other federal departments are expending large amounts of money in sustaining a community through band administration, income support and economic development, yet the Department of Transport has failed to make appropriate investments to support those other Government investments. Therefore it is not only jeopardizing the community but the money that the taxpayers have put into there as well.

The Minister is well aware that the community needs a roll-on, roll-off ferry terminal and requires assistance to complete their airport and extend the runway. Could he explain why the federal Department of Transport is not prepared to act in such a way that it will support the investments made by other federal Government departments? Why is the Department of Transport not ready to go forward and support a constitutional requirement? The Canadian Government has a constitutional responsibility to the native people of this country.

• (1510)

Mr. Pepin: Mr. Speaker, one thing is clear: the question has nothing to do with the motion and nothing to do with what I said.

Mr. Skelly: Chaos.

Mr. Pepin: Yes. You can put almost anything under chaos. The answer to the question—I have not looked at it in recent hours or days, but I was aware of the speech my hon. friend made some days ago—is simply that there are two candidates for further airport development in the area. Nobody has been able to make a decision as to where the development should be. One thing is sure: the distance between the two sites does not justify the expenditure of millions of dollars on both. Possibly cowardly, we have left the decision to the Government of the Province to make, it being a more local question, and provincial Governments being more locally oriented. Apparently the provincial Government is not making the decision. My hon. friend is giving me good advice and I have been thinking about it. The time may come one day when somebody will have to stick his neck out.

Mr. Evans: Mr. Speaker, I have one quick question for the Minister. I notice that my good friend and colleague from Laprairie has been talking about the airline industry in the past and especially the position of the Crown Corporation, Air Canada, in that airline industry. Has the Minister given any additional thought to the possibility that there could be some further deregulation of the airline industry and a reduction of Air Canada's monopoly position within it?

Mr. Pepin: Mr. Speaker, I have expressed my views on the subject during the hearings of the Standing Committee on Transport following a draft paper that I presented and following also an excellent report on the part of the committee. I could not agree with the committee on the role given particularly to regional carriers. I thought it was too fluid, too flexible. I was looking for something more categorized and I told them so very simply.

Since then my hon. friend, who is an ardent student of Canadian air matters, must have noticed some changes taking place. One of them, and I think this is very healthy, is the greater co-operation between airlines. Air Canada, for example, at the moment is working toward the restructuring of Quebecair. The Hon. Member has noticed also some kind of integration taking place between Eastern Provincial Airways and CPA. Again, these seem to me to be very healthy developments. A constant debate in Canada is: Do we have too many airlines? I would tend to believe that, although I will not be looking for a Russian approach to Canadian aviation—an Aeroflot approach. When I see these integration efforts I am very, very pleased.

Mr. Forrestall: Mr. Speaker, I listened very thoughtfully to the earlier remarks made by the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) and the response this afternoon of the Minister in a philosophical way about Crown corporations and what they are. The Minister in his treatment quite rightly said that we must be careful about choosing the points of entry with respect to influence or control over those Crown corporations.

Would the Minister not feel that one of those very obvious points of entry with respect to accountability must come about when there are two or three serious conditions precedent or apparent? One of those, for example, is an abuse of corporate office. The second is the apparent inability to operate within simple guidelines, Canadair being one of those in that particular case. Would the Minister not agree that those areas that are publicly discernible as meriting intervention with respect to accountability of Crown corporations should, in fact, be used by the Minister and be seen by Government as a responsibility to intervene? Would the Minister comment for a moment on the means of entry? He has told us that we cannot intervene on all subjects. Would he now talk for just a moment about how we identify the justifiable intervention processes?

Mr. Pepin: Mr. Speaker, I would gladly allow the Hon. Member to keep on for another minute or two to illustrate in a more concrete fashion what he has in mind.

Mr. Forrestall: Mr. Speaker, I might very briefly. The difficulty with Canadian National Railways' investment in Cast has aroused the concern of the Province, of the principal marine community involved. Canadian National has without an objection from Government. If Government in this case chose not to intervene because there was no objection from the Canadian Transport Commission, I assume that is a reason not to intervene. But when that Crown Corporation—in fact, CN has had to write down $62 million—is contemplating a massive

further expenditure to acquire all of the assets, or the remaining assets in this case of the Cast shipping group, would the Minister not feel that in terms of accountability there should be produced for review by the standing committee or this Chamber, at the very least, the audited statements of the company to be acquired? I am throwing out these suggestions to see whether or not these are tangible, acceptable levels of entry with respect to accountability.

Mr. Pepin: Mr. Speaker, first of all, there was hardly anything philosophical in what I said this afternoon.

Mr. Fennell: That is right.

Mr. Pepin: I somehow react negatively when I am told that what I say is of a philosophical nature. What I talked about this afternoon was a very practical, down to earth, everyday decision-making process, the pains and the flagellations of every day. Therefore, there is nothing philosophical.

Mr. Huntington: Professorial.

Mr. Pepin: The approach might have been philosophical but the subject matter was very concrete.

Mr. Baker (Nepean-Carleton): Very real.

Mr. Pepin: Very real indeed. I am paid to know it.

On the subject brought forward by the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), I agree with him 110 per cent that the subject he has raised in recent months in committees and in the House is a very important one. I respect him and I admire him for the intensity with which he has raised it. There is no doubt in his mind and in the minds of many people in his area of Halifax that the takeover of Cast by CN, on which the Government has not yet decided, is perceived as having a negative effect.

I think he will agree with me that I have tried, possibly in an adequate way, to address this issue with him. I have talked with him. He has questioned me, he was nice enough to do so, on the importance of vertical integration. I have described the situation in the Montreal area to him with CP having a set of alliances with Manchester, with Dart, with terminals in Montreal, in Europe and in England, with all kinds of shipping facilities.

Having taken the position in the Montreal area that CN must react, CN cannot simply for the sake of being accused by the population of Halifax of doing something perceived as negative ignore that situation and let pass the opportunity of an merger with Cast.

I then tried to give the Hon. Member some information. This is all on top of what the CTC said in 1975. I tried to give the Member information on rates charged by CN. I tried to remind him also that CN has ownership in the area of Halifax. I tried to reason with him on the subject of cost recovery. I have tried to give him some information on the extent of the investment of the Government of Canada in the Port of Halifax. This is a very important issue. If one wants an idea of what I had in mind a few moments ago when I talked about being selective in our debates on Crown corporations, I think this is a good example. It is a very important one.

• (1520)

Every day Hon. Members ask me why CN has laid off two people in X, Y or Z, or why CN has not bought a Canadian product in this particular instance. They ask me how come, et cetera. I think we should reserve our debates for important subjects such as this one.

Mr. Scott Fennell (Ontario): Mr. Speaker, the Minister was very clever. He used up about 40 per cent of our total speaking time by eroding our objections. The old saying "He protesteth too much" is very apt.

The Minister was very selective of Crown corporations for which he is responsible. He picked out CN and Air Canada. He did not mention the losses of VIA Rail. He did not mention the loss occasioned by Mirabel airport. He did not mention the cost of carrying the Pickering airport land. He was very selective.

The Hon. Member for Regina West (Mr. Benjamin) gave a much better description of Crown corporations. They were established in the first place because they were in areas in which the private sector could not or would not take part and, if it took part, required public subsidy. It has gone beyond that. Also he mentioned the great C. D. Howe. Mr. Howe created a number of corporations in a wartime era. It was a necessity to survive World War II.

I am sorry the Minister has left the Chamber because I want to talk about his Department. When we ask him questions in the House of Commons, he always says that we should have given him notice. This indicates that his Department is so big he cannot control it. I would like to indicate for the record that the Minister does not know what is going on in his Department. He appointed Mr. McLeish as a consultant. He was the former deputy minister in charge of air transport. He was given the job of implementing the recommendations contained in the Dubin Report. The author of that report would not believe that the one man who was totally critical of him and working against him was the person who implemented the report because he did not believe in it. This proves that the Minister does not have control.

He talked about Crown corporations being in competition with the private sector. I could give a perfect example of competition between Crown corporations and the private sector. Petro-Canada receives money for every litre of gasoline sold across Canada. The money is used to acquire foreign companies which compete with Canadian companies. Canadian companies have to go into the equity and debt markets to raise money at high prices, so there is no competition. With the assistance that Petro-Canada has had, it still will not survive because it is in the marketing side as opposed to the exploratory side. I have to be brief in my comments this afternoon because I have to catch an airplane.

Mr. Cullen: The Minister has left.

Mr. Fennell: They are in *Hansard* anyway. My remarks will be recorded there and I can send them to my constituents.

It was interesting that the Hon. Member for Ottawa Centre (Mr. Evans) was here, waiting for what the Minister had to say. He has a problem of his own. He and a group of people sitting in that corner are on the Standing Committee on Finance, Trade and Economic Affairs. They are having a hard time over the Canadair situation. In November, 1982, the officials of Canadair appeared before the parliamentary committee and did not tell the truth. They have been feather-bedding the situation in Canadair for the last four years.

The entire story was told by "The Fifth Estate". I am surprised the Minister of Communications (Mr. Fox) did not kill that program before it hit the air. The present Minister of Energy, Mines and Resources (Mr. Chrétien) and former Minister of Industry, Trade and Commerce came out with a very interesting statement. He said:

> I was very lucky that I had just left the Treasury Board at that time, and I was just coming in Industry, Trade and Commerce, so the new President of the Treasury Board was not too much aware of what I was doing.

That is how it was funded. He did it on his own. It was probably one of the worst decisions the Government has taken in the last 15 years. It is just another example. It bought a company for $38 million some seven years ago. Last year the Government had to pump in $1,350,000,000, and this year another $260 million or $240 million has been requested. I get confused with all these amounts of money. The amount of money we have put into Canadair is more than the United States Government and the Canadian Government contributed to support Chrysler Corporation when it was in financial trouble. There are 4,800 jobs in Canadair. There are 150,000 jobs related to the Chrysler situation. That was money ill spent.

Now the company is blaming the engines. Officials say that what caused the trouble was that the engines were not big enough. That was stated by Mr. Bill Lear who designed the aircraft. He disowned it after it was redesigned by the people at Canadair. It was made big and fat and could not follow its original specifications. I am sure he would take back his original statement that there was no one in the United States intelligent enough to take this plane on. Unfortunately Mr. Lear is no longer with us. I am sure he would be disillusioned and would figure that if it were taken on as Canadair took it on, it would be a failure.

An example of what Canadair did can be found in the deal with Federal Express. Federal Express placed contracts for 25 airplanes. By the time the whole thing was over—and it only put down a deposit on one aircraft—Canadair paid $4 million to get out of the contracts and gave a plane for free. How can a corporation make money by doing that? It was ludicrous. It is typical of all Crown corporations in which the Government has become involved.

A Senator in Alaska was convicted for being bribed by Canadair officials to buy an airplane for the State of Alaska. Its employment record is deplorable. The Hon. Member for Laprairie (Mr. Deniger) is somewhat disconcerted about the situation. He is more aware than anyone but no one will listen to him. Canadair is not something unto itself. It is an example of the disrespect of the Government for the House of Commons.

The Auditor General should be able to review the operations of every Crown corporation. He should be able to check where the money went. If he finds that these companies cannot last on their own, they should be disbanded. We had a marvellous idea in 1979. We wanted to sell Crown corporations. Now they have gone so far down the tube that no one in the private sector would take them on. The only solution is to disband them. de Havilland is a prime example of Government corruption in the private sector. A friend of mine who was a very senior executive of De Havilland left that company when the Government took over. After six months, they had so much trouble that they asked him to come back. He only stayed eight months. In a conversation with him last fall, he told me that de Havilland was so badly run under the Government that it would never survive. The Government had destroyed all of the good that de Havilland had done. It destroyed any bit of credibility that de Havilland had built up. It ruined the company. It poured money into it, it had expenditures, it had people on the payroll. That is just another example of a very fine corporation that was destroyed by the Government. If we would have been able to stay in power in 1979, we would have put de Havilland back into the hands of the private sector and we would have saved a very fine Canadian organization.

• (1530)

There has been some talk that the cost of interest charges to Canadair equals 50 per cent of their sales. The truth of the matter is that that is not a representative statement because interest is not being charged. The Government knows that if interest is charged, it will just have to loan the money back to Canadair. There is really no interest being charged to Canadair at the present time on the Challenger mess.

Two years ago I asked the President of the Treasury Board (Mr. Gray), who was then the Minister of Industry, Trade and Commerce, if he would explain to me why all of the undercarriages that had been shipped down to Teterboro Airport, New Jersey, had to be returned. He said that he did not know anything about it. The truth of the matter was that they were replacement undercarriages that were too light for the redesigned plane. That is just one example that I brought to the attention of the Government two years ago, and if the Government had listened then, it would have known about the trouble it was getting itself into.

The Government has given us information about the tremendous sales that are expected for Canadair. Those sales have not materialized. As recently as last November, the Government stated that it would sell 142 planes in the next year. Mr. Speaker, only 76 planes have been sold since Canadair started in 1981. I do not see a very positive outlook for the future because Falcon and another company are far outstripping Canadair right now. Canadair's product is not the product it was originally advertised to be. It is a failure. It costs Canadair

twice as much to build an airplane as the purchaser pays for it. This is ludicrous.

We have requested that the Canadair officials who were here in November come back to the parliamentary committee. We hope that they will be back next week because those people did not tell the committee the truth. If I could use the appropriate word in the House of Commons I would, but I cannot. They told an untruth.

We now hear, Mr. Speaker, that this whole situation will be handled by Maurice Strong. We hear that Maurice Strong and Senator Austin will sort all this out. Well, I believe that it is now too late. Next week when Mr. Strong is before the committee, I think our recommendation to him will be to suggest that he winds up the company. There is no future for it. It will not sell products. Canada cannot afford to get involved in luxury airplanes. Canada can afford the work that de Havilland did for many years. Canada can afford planes like the Beaver and the Dash-7 for short take-off and landing, but even these have been destroyed by the new Government management.

I will reserve my comments on that, Mr. Speaker, but I personally believe that the Government should not interfere in business. I believe that encouragement and tax incentives should be given to the private sector, and that if the private sector cannot succeed, it should be allowed to fail. I believe the private sector should be allowed to succeed in freedom and fail in freedom. I do not believe in putting a crutch under these companies as we did for Petro-Canada, VIA, CN for many years, and all the other corporations across the country.

Mr. Cullen: Mr. Speaker, the Hon. Member mentioned a friend who had worked at the de Havilland, had left and had then gone back again. He did not mention his name. I wonder if he would be prepared to tell us who it was who had all this talent and skill and could make these conclusions.

Mr. Fennell: Mr. Speaker, as this gentleman is a very close friend of mine and held a very senior management position, I would not divulge his name in the House of Commons. If the Hon. Member wanted to check, I am sure he could figure out who I am speaking of.

Mr. Skelly: Mr. Speaker, I would choose to make a comment on the position put forward by the Conservative Party. After listening to debate today and after listening to the Hon. Member's speech, it is interesting to note that we are talking about specifics of the transportation system that affect the lives of Canadians in small communities, and we have talked about native peole. We are very concerned that the position put forward by the Conservative Party today is absolutely devoid of constructive alternatives to the present policy. The Canadian people know that the Liberal Government is incompetent, and I think that in many cases they know that it has been devoid of principled operating decisions.

On the other side of the coin, Mr. Speaker, one of the most dishonest things that I have seen in my time in Parliament is the current role that the Conservative Party plays by chastising and ripping apart the Liberal Government without putting forward a constructive alternative. There are many people in the country who need alternatives in order to make proper choices. I suspect that what we have before us is illustrated by what was said by the Hon. Member for St. John's East (Mr. McGrath) in *Maclean's* magazine in May of 1981. He said: "Of course the Liberals are incompetent, but if I told you what our Party would do, the people would never elect it". I think that is the comment that must be made about the kinds of speeches that are being made today.

Mr. Sargeant: Just like its leadership candidates.

Mr. Fennell: Mr. Speaker, I did say in my speech that I do not believe in Crown corporations. I do believe in encouraging the private sector through tax incentives. There are certain kinds of Crown corporations that were established by this Party and which had to be put in place because of the vastness of the country, but to put a Crown corporation in competition with the private sector is inequitable and unfair to the taxpayer because the taxpayer ends up subsidizing the Crown corporation rather than getting a deemed tax benefit from corporate taxes.

Mr. Evans: Mr. Speaker, the Hon. Member's last comment interested me. He said that he does not believe in Crown corporations. I think there are grounds for arguing in favour of more openness and fewer Crown corporations, but I would like to suggest to the Hon. Member that if the criteria that he suggested for determining the existence of Crown corporations were applied, that would mean that he and presumably his Party would privatize Air Canada, CN, Petro-Canada, and a great many other Crown corporations. Virtually every Crown corporation that I know of except perhaps AECL competes directly with the private sector in one way or another. If competition with the private sector is the criterion, is the Hon. Member saying that virtually all Crown corporations should therefore be privatized?

Mr. Fennell: Mr. Speaker, I did say that there are certain Crown corporations that are required because of the vastness of the country, but I believe that any Crown corporation that can compete in the private sector should be sold to the private sector and that the Government should stay out of it.

The Acting Speaker (Mr. Blaker): Debate. The Chair has been advised that the Hon. Member for Comox-Powell River (Mr. Skelly) may have other obligations. It is not in the ordinary course of events that I should recognize him, but in the ordinary course of events I would look to the Hon. Member on my right. The Chair will need instructions.

Mr. Cullen: Mr. Speaker, the Hon. Member has a long way to go. I would be quite happy to let him go ahead.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, today's debate is an important debate. I think it affords a good opportunity for Members of the House to comment on what could be considered the chaos, concern and dislocation that exists in the transportation system of Canada. In concert with

my previous remarks about the failure of the Conservative Party to express straightforward concerns that affect the lives of citizens of small Canadian communities, and because of its failure to express its policy positions on these vital issues, I would like to become very specific by choosing examples to illustrate where problems exist in our transportation system. The Minister and his Department must begin to act to bring transportation back to giving meaningul support to the economic and social life of Canada.

• (1540)

I should like to outline some problems that have been brought to me by people in the community of Port Hardy, British Columbia, regarding general aviation. People have questions about the dramatically escalating costs of the operations of General Aviation. They point out that the Minister and his Department have substantially increased landing fees at the airports, have increased parking fees and have created a situation where fuel costs for general aviation are exorbitant. The airport monopoly and, I would suggest, the price-fixing situation at many airports means that one litre of aviation gasoline in the area of 80 or 100 octane costs more than 60 cents per litre. That is absolutely absurd, Mr. Speaker. Basically it is unleaded pump gas. The cost is putting general aviation out of business.

The cost of radio licences went from $20 to $40, an unjustified 100 per cent increase which is passed on to the operators in general aviation.

The increase in regulations is a serious problem. We have no objections to safety and, indeed, commend the Minister on many of the things that have been brought forward to improve safety in aviation. We are getting to the point where we have regulation for the sake of regulation rather than for safety. This places more and more cost on the pilot and on the operator in general aviation. This point has been brought up by every operator I have come in contact with in my riding, every flying club, be it Sechelt at the Elphinstone Flying Club, the Powell River Flying Club, Comox Flying Club or at Port Hardy.

The other day the Minister bragged in the House that since he had imposed some of these cost increases he had increased the revenue from this source. I should like to tell him that from my examination of the situation at Port Hardy, it is my belief that he drove every private aircraft out of that airport. People flew into Port McNeill or somewhere else where they could store the aircraft and operate it at a reasonable cost. Some people just sold out because they could not afford to fly any more.

I should like to move on to other specific concerns of many Canadians. Within the air transportation system there is a group of dedicated, hard-working individuals—the flight service station air radio operators. Following the recommendations of Mr. Justice Dubin, the Minister recommended that these light service radio operators must control on and off runways, even though they operate remote stations. This was enforced. For example, a radio operator at one airport is responsible, by a remote radio hook-up, for vehicle transportation at an airport at which he is not present. In airports such as Port Hardy, the radio operator cannot see all the runways on which he is required to control vehicles. I believe this creates a dangerous situation. We know it came about as a result of the Cranbrook air crash when a snowblower was on the runway at the time an aircraft attempted to land. I suggest that was not the fault of the radio operator but was a problem with airmanship, a problem with the plane, a problem with the communications system. But it was not a flight service problem. I suggest that Mr. Justice Dubin erred because sufficient information was not given to him.

The Department of Transport compounded the error by adding responsibilities for the radio operator which he could not reasonably fulfil. When radio operators reported that an error had been made, that they had inadvertently not given advice to the vehicle on the runway, the Department of Transport suspended some of them. The Department has been using tapes of communications in order to gather evidence against those people. I think the Department must remove the requirement that the flight service radio operator has to control traffic that he cannot see. That responsibility must be put back on the pilot and the vehicle operator who are the two people responsible, with assistance from the radio operator.

If the Department of Transport continues to suspend people who report operational problems and uses the tapes to reinforce that by gathering evidence, it is going to create a double-edged problem. People will not report operational deficiencies and that will jeopardize the safety of the system. This will also jeopardize the communications system because the radio operator will begin to be careful about what he puts on the tape.

I suggest the Department must eliminate the mandatory requirement for controlling vehicles by flight service radio operators. It must guarantee, through the collective agreement and through Department of Transport policy, that the tapes will never be used for disciplinary action but will simply be used, in co-operation with employees, to remove operational deficiencies. That is imperative in order to ensure the integrity of the air safety system.

I want to mention briefly the air accident which occurred in Cincinnati yesterday and to seek the co-operation of the Department of Transport to provide the information that I as a Member of Parliament want and which I am sure every other Member wants. I want the Minister of Transport (Mr. Pepin) to lay before the House information on the flammability of fuselage interiors in major commercial aircraft.

I want the Minister to provide information about the production of poisonous gases from the combustion of material in the aircraft fuselage.

I should like the Minister of Transport to also lay before the House an explanation of firefighting equipment, fire-detection equipment, training programs and safety procedures in major commercial aircraft terminals.

I should also like to know what is available in terms of personal fire protection equipment for passengers on major commercial airlines, and the adequacy of such equipment.

The tragedy in Cincinnati has created a situation that I know has concerned many people for a considerable period of time. It does not relate to the present accident. It reminds me and others of situations which have occurred in the past but have been left fallow. I believe the Department and the Minister made commitments to produce such material and it is time it was laid before the House.

I should like to move to another area of chaos in the system, Mr. Speaker. The Dubin Commission talked about the Air Accident Investigation Tribunal. That legislation was ready before Christmas; it has been delayed long enough. That Bill must be brought before the House before we adjourn in June so that we can look at it over the summer and be prepared to move on it in the fall.

I want to talk briefly about the community of Bella Bella and the Indian Heltsuk Band. The Indian name of that community is Waglisla. Millions of dollars are spent in that community by the federal Government on the 1,000 people who live there. It is provided through Band administration funds, unemployment insurance, economic development—it all hinges on a reasonable transportation system. The transportation system is not being used to support federal Government investment in that community. The transportation system and the Department of Transport, by their failure to act, are jeopardizing a great amount of taxpayers' money.

I should like the Minister to explain to the House how he can fail to fulfill the Government's constitutional responsibility to the Indian people. There are 1,000 people in that community whereas in the community he mentioned on the other island, which is half a mile away, where the Government is allowing the airport to be built, there are only 60 people. The hospital, the doctors and the places where medical evacuations will occur are all in the community on the Indian side. The basic thrust of economic development is on the Indian side. The taxpayers' investment is on the Indian side. There is a constitutional requirement to support Indian people and there is also a logic for doing so.

• (1550)

It just defies description that the Minister can avoid putting in that facility. That community has needed for years and years a roll-on, roll-off ferry. The ferry pulls in and out but there is no roll-on, roll-off facility. That simple fact has driven the cost of living up in that community beyond what any of us would ever tolerate, and it has also meant, because of the failure to develop an adequate transportation system, that the mail system is chaotic and that their economic development is bound for failure. It debilitates any attempt at constructive planning and development in that community. The Minister said it is a bit of cowardice that we have not made a decision on it. It is one of the most cowardly acts which I have seen in this House. It is an absolutely wrong-headed, counterproductive process which the Government is taking today. I would urge the Government, if it does one thing before the people of Canada, in justifiable outrage, throws the Government out of this House, to please put in that facility. Do something which is morally and appropriately correct.

My constant theme when speaking about the transportation system has been Bella Bella, because it illustrates problems in coastel communities. However, that problem extends from Alaska to the 49th parallel in small communities up and down the coast of British Columbia. The Minister mentioned the provincial Government. The provincial Government has failed to fulfil its responsibilities to communities which are not native communities. So be it. That is a provincial responsibility and it has jurisdiction there. However, this Government has a responsibility to Indian people which they are failing to deliver.

For the edification of the Minister and the officials of the Department of Transport, I would like to point out that there is a community at Klemtu, the Kitasoo Band. Several hundred people live there and are struggling with air transportation, which is irregular and very expensive, and a mail system which is disrupted. They cannot function properly with Band administration and with economic development because of the failures in the transportation system. They could not get their kids home from boarding school one Christmas because the ferry does not go in and out of there on a regular basis. They need an appropriate facility and they need the federal Government to tell the Province of British Columbia: "If you accept federal assistance you must provide decent service to Indian communities"; or the federal Government must ensure that its responsibility is fulfilled. Klemtu is a perfect example.

Owikeno is another perfect example. Alert Bay is another. I would urge the Minister of Transport and this Government to take a very hard look at native communities from Alaska to the 49th parallel border with the United States, at how it is fulfilling its responsibility, and that its failure to fulfill its responsibility properly is jeopardizing millions of dollars which are being invested in economic development, income support systems, and Band administration in those communities. It is vitally important to remember, Mr. Speaker, that regardless of where we are today, and of where the provincial Government is today, the Canadian Government has a constitutional responsibility to support Indian people. The Government also has a rational responsibility to protect the investment of the taxpayers of Canada who want the programs to go ahead in that community.

I believe that the points I have raised on the air transportation side are extremely important. The Minister should be presenting that material to the House so that we know where we are going with it. The second issue is that responsibility to Indian communities is paramount. I hope that before we leave this Parliament there will be some action in an attempt to rectify long-standing wrongs in that particular area.

The Acting Speaker (Mr. Blaker): Questions, comments, answers? Debate.

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, I welcome the opportunity to participate in this debate this after-

noon. I read with some interest and, I must say, some confusion, the motion of the Official Opposition. It is a typical Opposition motion in that it covers the whole waterfront; it covers the ball park, has everything in it that you could want, but yet has no particular focus.

I thought that possibly by listening to the address of the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) we might get some idea of just where the focus would come. I listened but I listened in vain. Something I did agree with in what the Hon. Member for Annapolis Valley-Hants said was his compliment to our Minister of Transport (Mr. Pepin).

In looking at the candidates for the Leader of the Official Opposition Party, I was thinking that one is bilingual, one has business experience and another has other attributes, having lived in Quebec. How fortunate they would be if they had our Minister of Transport as a candidate. He is fluently bilingual, a businessman, has had experience in the House of Commons and has the talent and ability to the extent that he receives compliments from Members of the Opposition Party. If they had one like him as a candidate for the leadership, it would be a shoe-in. We are proud of our Minister of Transport. We recognize that he also had the intelligence to pick the right Party of which to be a Member.

If one reads the motion, one sees the Official Opposition saying something like "losing control of Air Canada", and yet I wonder what is the position of the Official Opposition. We have leadership candidates telling us they would sell Air Canada which, of course, would mean no control of Air Canada. Are we to believe the leadership candidates, one day one of whom will be leading this particular caucus, or are we to accept what the caucus says, that we should have more control over Air Canada? I would be an interesting debate to take place, I am sure.

Everyone has their own particular gripe with Canadian National, Mr. Speaker, whether it is the fact that the freight is not picked up on time; but I believe the Minister hit the nail on the head when he said: "That is not the sort of thing we should be debating in the House of Commons. It should be the more important issues as they affect policy, the over-all position of Canadian National as to whether it should or should not be participating in a particular project."

One of the concerns I have is the recent move to some rationalizing, which is spreading fear among employees of Canadian National. These are people with 15 years and 20 years' experience, that kind of seniority, and they have some apprehension about their jobs because of the centralizing which is taking place, in the interests, of course, of saving money, perhaps, in the long run. I think it is those people we should be putting the emphasis on at Canadian National. People who have given CN 15 years and 20 years of their lives should not have apprehension about possibly losing their jobs because someone else has 25 years' experience, and seniority will out. I believe there is a social obligation which CN has and we should be focusing on that if we are looking in this particular area.

We have heard comments today about Canadair. I believe here again we have the destructive force of the Conservative Party at work. We are reminded of the Avro Arrow which was put out of service, in effect closed down by the Conservatives because they could not stand the heat of some problems which the Avro Arrow was facing at that time. In the long run, however, what a terrible cost to Canada! The technology which we had in place and which would have put Canada in the forefront of the air industry we lost because our technologists went to Houston and created great names for themselves in NASA. By its very nature the aircraft industry is the kind of industry which requires trial and error, requires the use of various components, in order to put the best mixture together and come out with the best aircraft. The same is true with the Challenger aircraft. To have it pilloried by the Opposition Party I believe does a disservice to the Canadian people who are endeavouring to make this work.

I was surprised to hear today the Hon. Member for Ontario (Mr. Fennell) blithely say "Close it down, shut it down", because Canadair is having problems at the present time. That surely is not the approach, Mr. Speaker. Surely the approach is to do what we can to preserve this particular enterprise and make it a success. It was interesting to hear the Hon. Member for Ontario comparing figures about what the Government of the Province of Ontario and the federal Government have done with respect to loan guarantees for Chrysler, and how Chrysler is proving to be a marvellous success. All of a sudden that is a good idea. But it was not a good idea at the time as far as the Official Opposition was concerned. Fortunately, we did not panic and took the moves which were necessary in order to preserve the company, yes, but, more importantly, to preserve jobs, something which is important to Liberal Members of Parliament. I would hope they would also be important to Opposition Members. Now they seem to be applauding the actions we took at that particular time.

• (1600)

When I talk about Tory tactics of destruction, I think of questions asked by the Hon. Member for Vancouver Centre (Miss Carney) where she selectively pulled something out of a particular report and said: "Well, the planes are useless during many weeks of forest fire season; the planes are supposed to get water but the water is covered with ice". She went on to say that because she was from British Columbia she had spent a good deal of time in the Yukon and Northwest Territories and knew this. What she neglected to mention is that that is not the height of the forest fire season in the Yukon and Northwest Territories.

Like her, I have spent time not only visiting, as she apparently did, but I actually lived in that particular area for more than a year and know something about freeze-ups and break-ups and times when fire hazards are at their peak. We know the peak is in July and August when the lakes are free of ice and when these particular water bombers can do the job they were designed to do. Neither did she make reference to the fact that they can be filled up with water on land or that chemical retardants can be used in the event it should be

necessary during the freeze-up period. The plane does not require open water for operation. Fully loaded, it can take off from hard-packed strips as short as 3,500 feet. So there are actually a greater number of airfields available to the water bomber than to the aircraft presently in use, which requires a 5,000-foot runway for its operation.

We are looking for international markets, Mr. Speaker, and to Canadair's credit they have found international markets. But bad mouthing and criticism of the sort we have had recently does not do a great deal to help us move into international markets.

On May 29, for example, Canadair signed a multimillion dollar contract with Lockheed-Georgia Company of Marietta, Georgia. This contract calls for the Canadian aerospace firm to provide components for the new Lockheed C-5B military air transport. The U.S. Air Force plans to buy 50 of these aircraft. Canadair will build the aft cargo doors, the ailerons, the leading wing edges and other components of the new plane. This is the kind of initiative we want to encourage because it means a $200 million contract and 700 Canadian jobs between now and 1986. If we close down Canadair, Mr. Speaker, not only would we not be participating in this kind of contract, but that money would not have been available to the Canadian economy.

As I indicated, Canadair manufactures the water bomber. It is a twin-engine amphibian used mainly to fight forest fires. Seventy-four have been sold to customers in eight countries, including France and Spain where it is widely used. The federal Government and six provincial Governments recently announced plans to assemble a fleet of firefighting planes using the CL-215. Here again is an excellent illustration of co-operation between the provincial and federal Governments. There is direction from the top, not a lack of direction as the Opposition motion seems to indicate.

Canadair has built more than 3,900 aircraft since 1944, 580 of which are supersonic. Canadair's project to develop the Challenger as a wide-body transcontinental business jet should be encouraged. Admittedly we have to look at any problems which may arise, but there are ways of being critical without putting it in the public eye to the point where people in the international markets look at this and say: "Well, we are not going to buy that; it looks like a turkey". That makes the task of Canadair all that much more difficult. So far 76 of these planes have been delivered.

The motion seems to suggest a lack of control, Mr. Speaker. But recognizing the problems in companies such as de Havilland, Canadair and others, and recognizing there has to be some measure of business expertise brought to bear to help out these particular corporations, the Government announced the Canada Development Investment Corporation as a means by which this kind of business expertise can be brought to bear so that companies having difficulties will have access to this kind of assistance.

We know that Canadair and de Havilland are incurring significant losses. Of course, this is partly due to the international recession. A great deal of CDIC's time has been spent on financial and marketing analysis, particularly in the case of Canadair. A short time ago the President of the Treasury Board (Mr. Gray) tabled his supplementary estimates which include provision of $300 million for the aircraft companies. This amount will ensure that these two companies continue to operate in the normal course of business while the process of analysis continues. The goal of CDIC is to put both of these companies on a basis which will allow them to continue to operate without substantial requirements for equity investment for their current products. The CDIC legislation stipulates that new programs and products would require new investment.

There have been some suggestions that this is being done on the quiet or that there is not enough information available. Well, the Minister responsible for the CDIC has advised the chairman of the Standing Committee on Finance, Trade and Economic Affairs that he would appear, along with officers of CDIC, before the Committee on June 7 to provide a report on financial and other business matters concerning Canadair and de Havilland. At the same time CDIC officers will appear before the Public Accounts Committee to discuss Canadair.

Members will agree that a start has been made in the right direction by CDIC to strengthen these aviation companies to ensure that Canada is an international competitor in this very important high-technology industry for many years to come. Surely that objective is more appropriate than simply throwing up your hands, as the Hon. Member for Ontario would do, and saying: "Just close Canadair down, it's a loser". Well, thank heaven that is not the Liberal Government's approach. I am sure the employees of Canadair will be interested in hearing the Hon. Member's comments. I hope he is not speaking for his Party, if anyone can in fact do that at the present time.

There are occasions, Mr. Speaker, when a key industrial enterprise requires Government help to help it overcome difficult times. If such companies have the capacity to recover, with some help, then it makes little sense to see them fail. Not only would the Hon. Member for Ontario see them fail; he would push them into failure.

No, Mr. Speaker, that is not the way we should be operating in this country, particularly when we are talking about difficult industrial enterprises such as the air transportation field. What the Government needs is a professional, experienced and commercially-oriented source of advice on how to handle specific situations in the future. Of course, not every company seeking help should get it. CDIC will operate in close contact with the business and financial community. It will, naturally, be a useful source of advice on business conditions. It will provide advice on where Government assistance might be beneficial or what financial alternatives are available in each situation.

Some two years ago, in an address I gave to the Sarnia Rotary Club, I indicated that we had to stop this ad hoc approach to helping industry, be it Dome, Chrysler, Maislin, Canadair, de Havilland or whatever. People come with best intentions and an obvious need for assistance and decisions have to be made by provincial and federal Governments almost

on an ad hoc basis. As a matter of fact, that is pretty well the way it has been done. Here we have the CDIC which will bring about a more professional business-oriented approach so that companies, if they seek help, will know what the ground rules are. The Government will also have some guidelines established so that it will know which companies it should help and those it cannot.

I welcome the pragmatic response by Government which I think CDIC provides to the needs of this particular day. It will help manage better what the Government already owns. It will provide important advice. It will be an extra means for Government to help rebuild our industrial sector at a time when Governments throughout the western world are taking strategic steps in key areas, such as aviation/aerospace, microelectronics and computers, and telecommunciations, to ensure they can participate in these vital industries of the future.

• (1610)

If I have a fault to find with this motion of the Opposition, and there are many faults to find, it is the fact that there is a lack of focus. I think that was borne out by the Hon. Member for Ontario because, when the Minister of Transport responded in a positive and, I thought, effective way to the questions which were being asked, the Hon. Member for Ontario immediately retreated to another ground and said; "Oh, yes, but you did not mention this and you did not mention so and so". It is not the motion of the Minister of transport that we are debating today; it is the motion of the Official Opposition. The Minister was confining himself to the subject matters raised in that particular motion. I think it was appropriate that he should do so, trying, at least, as best he could, to give some focus to the debate, which we have tried to do.

I think the Hon. Member for the New Democratic Party who last spoke discussed many of the local situations and issues. However, in the final analysis, he was saying to the federal Government; "Direct the Province. You people have done something. You are making money available in British Columbia in these particular areas to do these particular things. Now tell the British Columbia Government that it must take some initiative and do the sorts of things that the federal Government is doing. It is putting money, expertise and help into these areas; but it does need some help from the provincial Government". So his chastising, if you will, was primarily directed at the provincial Government rather than at that which the federal Government has been doing.

Rather than losing control, I think the federal Government, through the creation of the CDIC, through the help which it has given to various industries rather than closing them down, through a whole series of actions, has shown that it is taking control in the areas where it should be moving and leaving to the private sector that which the private sector can do so well.

Hon. Ron Huntington (Capilano): Mr. Speaker, it is Friday afternoon and here we are again—

Mr. Flis: The House is full.

Mr. Huntington: —with a full House and the Minister present, and I appreciate that very much, Mr. Minister. I have been quite interested in the nature of the Minister's remarks. He gave us a little lecture. He said that a Crown corporation, with shares held by Government, must have an economic purpose governed by legislation and be accountable to Parliament through a Minister. As we have moved to a corporatist society, we have gone way beyond those definitions. If we are limiting ourselves strictly to some 57 Crown corporations under the legal definition, then that is one thing. If we are discussing the creation of non-governmental bodies with unbelievable powers outside the realm of surveillance, questioning and inquiry on the part of the House of Commons, then that is quite another.

What is happening is that a subgovernment outside of the purview and examination of parliamentary committees is running quite out of control. If it has an economic purpose, that is one thing. I am standing on this side of the House with a Party which has been responsible for the incorporation of many of our Crown corporations. Back in the history of that evolution there was such a need on the part of Government because infrastructure had to be built and the scales of economy and the marketplace just were not sufficient to cover the investment needed on the part of the private sector.

We seem to have gone through a series of phases in history in terms of Crown corporations. We have gone beyond the phase when we needed the CNR and when the Government had to help the CPR. Unlike the Hon. Member for Regina West (Mr. Benjamin) and the NDP, I am glad that we have a private sector railroad and a government sector railroad. They keep each other in balance and they should keep each other from causing a monopoly to develop, because nothing in the way of infrastructure affects our lives more than transportation. One must only consider how the villages of the United Kingdom opened up when canals were dug to connect one group of tradesmen to another group of craftsmen. This competition led to the industrial revolution. That is the way it has been. We have gone through rail, through ships, slow ships and now high-speed ships, from bulk handling into container handling and unitized handling. It has been necessary for the CNR to go into fields where it has had to become involved with Cast.

I guess what is troubling so many of us in the House of Commons and people in the country at large concerns the question of accountability. Where is the accountability and the answerability? Who is impressing upon these non-departmental bodies, these Crown corporations and these Ministers to whom they are supposed to be answerable, how well the investment is being used?

We hear of the great need for a mix between the private sector and the Crown sector or Government sector. That is fine. What is so different is that the private sector is held accountable by the tax collector. The Income Tax Act states that one can do this and one cannot do that, and that one will pay taxes. If one has losses in the private sector, there is no way out. The bank and the debtors call one to account and one is out. However, those rules do not apply to the Government

sector, the Crown corporation sector and the Crown agency sector.

What we are doing here is giving these Government entities a special set of rules. We are giving them Her Majesty's agency status. We are incorporating them under Acts of Parliament and under the Canada Business Corporations Act, which is an entirely different ball game. They are exempt from the rules and laws of the Provinces. They can borrow money at the cost of the Government. They have Government guarantees and are exempt from the rules and laws of the land which apply in terms of competition, because in Government agencies, with agency status cartels are completely legal. One cannot touch a Crown corporation, or a Government body which has agency of Her Majesty status, that performs acts that would put any of the rest of us in jail or bring us before the courts.

What has been done? The Government has overbalanced, overloaded and tipped the whole pile of wood over in favour of non-accountability. Human nature being what it is, whether it is in the private sector or in the Government sector, bureaucracies being what they are, all that is involved is power. To me, there is very little difference between bureaucracy in the private sector vis-à-vis bureaucracy in the Government sector or bureaucracy in a large corporation. It is all power. The great untaxable thing that we are facing today is the privilege and enjoyment of power over people, over money, over decisions and over assets. The rule books are different.

Therefore I can tell Your Honour, and I hope the Minister is listening, that there is no way the private sector will survive unless we hold this subgovernment sector to account to the House of Commons through House of Commons committees. It is accountability, answerability and value for money concepts that are so important today. I cannot understand why the Government keeps resisting the need for stronger parliamentary committees which can deliver a high standard of accountability.

I will say to the Minister through Your Honour that in no way, shape or form does the Opposition or do the backbench Members of Parliament want to interfere with the Government's right to govern. In no way, shape or form is that the objective. In no way, shape or form is the objective for control to be in the House of Commons. However, if the system is to survive, and if there is to be competition which forces better ways of doing things to turn the nation into a more productive one, and to give us the drive and the environment to do things better and to achieve our place in world markets rather than through cartels and monopolies, then there will have to be some answerability and accountability through the House of Commons system.

• (1620)

I would plead with the Minister to support some of the action and very hard work being done by Members on all sides of the House in this direction. For instance, the Special Committee on Standing Orders and Procedure has been working in this area for some nine months. If we do not bring about that condition of answerability and accountability and we let the rule books and accountability standards remain so uneven, I can envisage the private sector disappearing altogether.

For example, we heard the Minister compliment Air Canada. If I was the Minister of Transport I would be very proud of Air Canada as a Crown Corporation. But may I say that some years ago, back in the Thirtieth Parliament, I was lobbied by Air Canada pilots who told me of the terrible conditions and bleak future of Air Canada if the top personnel was not changed. We were fortunate as a country to have Mr. Taylor come in as Chief Executive Officer. He knows how to run an airline and every other airline in the world knows it. He does a first-class job and, in my opinion, he is a first-class executive. But how can a competing private sector airline survive with the advantages that Air Canada has? The Minister of Transport (Mr. Pepin) just told us this afternoon that Air Canada has had to pay approximately $56 million in dividends. Last year, Air Canada was involved in a $38 million loss in its last quarter yet it was able to cut its tariffs and selling prices by a very substantial amount in the peak season.

Mr. Pepin: To fill the planes.

Mr. Huntington: To fill the planes. It was losing $38 million but was in a position to cut its tariffs in the peak season in order to fill the planes when the private sector airline could not do it. In that same period the private sector airline lost its working capital. If it were not the subsidiary of a corporation as large as Canadian Pacific investments, it would not exist.

I have been suggesting in the House for some time now that if we were not able to cancel the debts of Canadian Pacific Airlines in the same way we cancel Air Canada's debt—if the equations were not in balance—there would be no way for the private sector airline to compete with a Government subsidized airline.

I speak of CPA because their head offices are in my region. I want to see that payroll survive as, I am sure, the Minister does as well. The factors must be balanced. It is easy for us in the House to cancel the debt of Air Canada. It is the only airline in North America that need not worry about having so much equipment backed up against the fence. It is the only airline that can survive while having so much equipment unused.

On the other hand, CP has one of the best records in the world in terms of air time on their equipment. They must make full use of their equipment because they cannot survive unless they implement every single productivity trick in the book in terms of productivity. This involves the management of capital, capital equipment and personnel. The personnel at Canadian Pacific have a different spirit because they realize the delicacy of their jobs.

I will say again to a very reasonable Minister of Transport—as long as he does not bring in the Crow—that if this equation is not addressed I must come to the conclusion that it is a deliberate Government policy to peel the orange of Canadian Pacific Airlines with all that will do.

I can suggest what the Chief Executive Officer of Air Canada will do if the orange of Canadian Pacific Airlines is peeled. He will turn that very efficient national airline into an airline of box lunches. I remember from a conversation with him some years ago that the cost of proper service and the better treatment of passengers according to the standard that was being set by a competing airline was causing him to scratch his head in terms of the P&L. He questioned if he could get into this box lunch approach instead of the fancy service which is provided on the airlines. I agree with that in some respects but it is competition that causes good standard of service to be delivered.

My plea to the Minister is that he recognize this serious situation. While I have his attention let me say that I do not know how a company like Canadair with the problems it has can advertise in this manner. I do not know how they can do it or what purpose it serves.

While I am on the subject of Canadair, I remember back in 1979-1980 when the problem of the quality of the order book to justify the original investment was brought to my attention. This comes back to the problem of behaviour in that subgovernment and the need for accountability. At that time an order for 25 Challengers was laid on my desk. The person who gave that order in Europe did not have the wherewithal, the means or the intention to buy 25 aircraft. Yet those bookings were the justification for the Government's investment in the first place.

I would like to see Members of Parliament become far more knowledgeable and supported by sound research abilities in our accountability committees. I believe Members should have some expertise to enable them to examine the parameters of and justification for some of these investments. No matter which Government is in power it will be presented with Cabinet documents providing options on which decisions will have to be made. However, I believe that it is ultimately up to us as the elected directors of the shareholders of Canada to do a better job in that respect than is being done presently.

The issue surrounding the water bomber question troubles me. The thing I love about Canada and what I suppose has attracted so many people to this country is that one could come here with nothing. One could be born in poverty, and I believe that it is actually an advantage to be raised in this country with very little in the way of material possessions. People with little gain a burning hunger to want more. Therefore people learned to work, educate themselves, save money and take risks. They may get burnt but would come back again. That is what built this country. If there is no balance in the rule book or a measure of accountability and answerability by this Government's subsector, and it is allowed to run wild, I believe that that dream which energizes so many people will be lost.

With respect to the water bombers, is it fair that because there is a threat of a plant closing down in one city of Canada to subsidize a great fleet of equipment? What does that do to all the independent helicopter operators across the country who sit idle all winter with their equipment waiting to service the provincial needs for forest fires, the mining needs, the exploration needs and other requirements? Each time a factor such as the water bomber proposal is put into the country's economy, what happens to the private sector that is waiting with its investment in a service? I am thinking in particular of a good operation at Pat Bay which has been carrying on business for years re-engining World War II equipment as water bombers. Is it now in or out of that field of endeavour? I would remind the Minister that even Bill Davis is flying a water bomber these days.

With respect to the accountability equation, for the Minister's benefit I am holding a series of reports from 1978 on. A colleague of his, a former President of the Treasury Board and Minister of State of Economic Development, was deeply involved in this package, as were other Members on his side and on this side. They were calling for an improvement in the accountability equation on this subgovernment.

• (1630)

I would appeal through you, Sir, to Members on the Government side to pay a lot of attention to this because I think it threatens our whole system and society. We are delivering power and privilege to a few people who move through this world. There will be examples coming down very soon of privileges being abused. We are incapable in this House of holding that whole subgovernment sector to account. There has been report after report from the Standing Committee on Public Accounts on this issue, which issue is not being heard by the Liberal Government. It is my plea through this very reasonable Minister of Transport, who has had many bouquets lavished on him today, to carry this concern through because it is very serious. I would like to see us strengthen our function and the delivery of our duties and responsibilities by picking up the challenge that we are dealing with in this motion today.

In closing, if my mother were treated by my late father's employer in the way the Member from Regina's mother was treated when his father died, I would be fighting louder and harder in the socialist camp than I do on this. There is a message for the private sector and for the government sector.

I disagree very much with the Hon. Member for Sarnia-Lambton (Mr. Cullen) when he cries out for special privilege for employees employed in Crown corporations and government structures. What about the majority of people employed in the marketplace where the filters of competition, use of capital and accountability apply? I do not think people working for the Government, for CNR, or for Air Canada should enjoy a special privilege. If we are going to talk about equality and equity, let us make available the same privileges in pensions and benefits and everything else more widely across the land. Let us remove this special privilege from those who work our corporate schemes.

Could you let me know how much time I have left, Sir? I see you are indicating that my time has expired. I thank you for your tolerance, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): I am, of course, willing to extend an extra few seconds if the Hon. Member wishes to complete his remarks. He may be satisfied with the opportunity for questions and answers.

Are there any questions and comments?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I listened with great attention to the Hon. Member for Capilano (Mr. Huntington). I know he has many valuable ideas regarding accountability. Some of his ideas I would personally like to see implemented in this institution of Parliament.

The Hon. Member for Capilano talks a lot about subgovernment. There is no doubt there is a subgovernment that is becoming more and more powerful while the elected representatives of the people become less and less powerful. There is also in our system what I would now call the fetish of ministerial responsibiity where Ministers are held accountable for everything within a vast array of departmental networks and Crown corporations. We all know there is no human being who can follow all of those activities and really be accountable for them.

Would the Hon. Member care to comment on the possibility of exchanging the theory and practice of ministerial responsibility for the greater accountability of this subgovernment, as he calls it quite rightly, to committees of Parliament?

Mr. Huntington: Mr. Speaker, that is a very astute question raised by the chairman of the Standing Committee on Transport. It is humanly impossible for a Minister to be responsible for the activities within Crown corporations and agencies over and above the activities within his own department. How are you going to judge and evaluate the service of the activities to the objectives as stated? Who will help us with that evaluation?

I think the concept of mininsterial responsibility has to remain, but we also have to move to the concept of deputy minister responsibility in terms of management and in terms of holding the management of departments and corporations accountable for the manner and the efficiency with which they serve, the mandate and the objectives for which they were incorporated to serve. That is where we, as Members of Parliament, fall down in my opinion. That is why I think the accountability equation or system that we in the House have to use has to be separated into two concepts—policy and ministerial responsibility, and management and deputy minister responsibility. I hope there is some move toward a comprehension and an agreement in that area.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I think the Hon. Member's idea coincides pretty closely with my own with respect to ministerial responsibility. The Minister should be responsible for policy decisions but the administrative responsibility should be assumed and charged to the administrators.

In recent days and for some time we have heard many arguments that the Auditor General should have more access to the books of Crown corporations. I would like the Hon. Member's reaction to that. I have a great concern. If all of these Crown corporations are audited by the Auditor General, it seems to me we are creating another of these bureaucratic empires and I wonder in the final analysis who will audit the Auditor General.

I wonder whether the accountability about which the Hon. Member talked in his speech of these Crown corporations to well staffed committees of Parliament would not be a much better route to go. I ask that question because every time we create a stronger central agency it seems to me we slow down the decision-making process.

Mr. Huntington: Mr. Speaker, I would think the Auditor General of Canada by mandate and by Act passed in this House should be the auditor of any Crown corporation or agency requiring a draw on the Consolidated Revenue Fund of Canada. If it is a Crown corporation that is earning its own way, behaving properly and paying a dividend to its shareholders—the people of Canada—that Crown corporation could go to the private sector. I certainly think the Auditor General of Canada who is an officer of the House—he is the one Officer we have—should have access to the working papers of all audits on Crown corporations and non-departmental agencies. I think we, as Members in this House, should have access to that kind of information. The Auditor General has to be judicious in how this information is fed to the committees.

The other point made by the Hon. Member was that the standing committees of the House and the four new key accountability committees should be well staffed with research people in order to give us the ability to match that of the bureaucracy around us. I think we are lacking in that area and if we are going to improve the accountability and the answerability equation, we need a higher standard of talent serving us and our needs.

Mr. Evans: Mr. Speaker, I was interested in listening to the Hon. Member for Capilano (Mr. Huntington), as I always am. I am intrigued by his feeling of outrage that many of us feel and which I think most Members of Parliament feel when we think the taxpayers' interests are not being well represented by agencies of the Crown, such as Crown corporations. I would like to say at this point that I think it is terribly outrageous. I know the Hon. Member's committee, the committee we share, the Public Accounts Committee, on which I cannot participate as much as I would like, but the committee of which I am chairman, the Standing Committee on Finance, Trade and Economic Affairs, is looking very carefully and will be over the next couple of weeks at the question of Canadair. It is outrageous that every taxpayer in the country is being asked to invest up to $200 in a corporation which has not yet been able to show that it is a commercially viable operation. I think it is outrageous and I think we should look very carefully at it. I am sure over the next three weeks that we will.

• (1640)

It seems to me that there is another anomaly with regard to Crown corporations which we have to consider carefully. I am

referring to the fact that the management of Crown corporations does not suffer the same financial loss when the corporations are not profitable as the management of private corporations. Crown corporations can run a perpetual loss. For example, take the case of Canadair. Management salaries not only remained at high levels but continued to increase at a time when the corporation was losing literally hundreds of millions of taxpayers' dollars. I find that offensive and unacceptable. I would like to ask the Hon. Member whether he agrees with that position.

Mr. Huntington: Mr. Speaker, I agree totally with the Hon. Member. The only way as Members of Parliament we can do something about the outrage many of us feel is through improved accountability committees and by arming those committees with good research staff to allow us to dig in and open up, through a good process of disclosure, the many inequities and abuses which are partly human nature but also have no checks and balances. I plead with everyone in the House to start delivering some responsibility back to those people who elected us.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I have a very brief question for the Hon. Member. What would he think about the suggestion that the Auditor General be the chief adviser to the Standing Committee on Public Accounts, or whatever audit committee the House might have, if that committee gained the authority and the staff necessary to go into the details of the audits of various Crown corporations and departments?

Mr. Huntington: I would not be in favour of the Auditor General being the chief adviser to a parliamentary committee. He is a parliamentary officer with a huge mandate to perform. I think the committee would need a strengthened research centre with a very able research director who could call on the office of the Auditor General to provide areas of expertise needed for the wide variety of subject matter with which it would deal.

I think the office and staff of the Auditor General should be available to other committees for specialized problems, in addition to those committees being able to hire specialized expertise for special problems. I would not be in favour of the Auditor General being the chief adviser. He has to be held to account as well.

Mr. Burghardt: Mr. Speaker, I wonder whether the Hon. Member would care to indicate how far he feels Parliament should have authority over Crown corporations. I know he has been talking about the Auditor General's role and his accountability, but I am concerned, for example, about CN and its operations. If it intends to consolidate services, which could mean the consolidation of personnel and perhaps even the laying off of personnel, how much authority in the Hon. Member's mind should be exerted by Parliament in such a case? Or should we have any authority at all in that area?

Mr. Huntington: Mr. Speaker, that being a policy matter, it would be dealt with strictly by the standing committee dealing with that subject matter. That committee is presently the Standing Committee on Transport. It is a policy matter.

The accountability equation has to be dealt with in a non-political or an apolitical environment, and then we marry the two. In that way we could then get at the political matter of policy and the accountability equation could be brought into it in subcommittee meetings. I am personally against interfering with the productivity of Crown corporations by political pressure. That debate needs to be enlarged in inter-committee work and in inter-House debate.

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ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF NOVA SCOTIA

The Acting Speaker (Mr. Blaker): Before recognizing the Parliamentary Secretary, it is my duty to inform the House that the objection signed by the Hon. Members for Prince Edward-Hastings (Mr. Ellis), Kindersley-Lloydminster (Mr. McKnight), Dartmouth-Halifax East (Mr. Forrestall), Western Arctic (Mr. Nickerson), Don Valley West (Mr. Bosley), Ontario (Mr. Fennell), Hastings-Frontenac-Lennox and Addington (Mr. Vankoughnet), Annapolis Valley-Hants (Mr. Nowlan), Capilano (Mr. Huntington) and Leeds-Grenville (Mrs. Cossitt), has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the report of the Electoral Boundaries Commission for the Province of Nova Scotia.

If the House agrees, I suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

* * *

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—TRANSPORT POLICY

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

That this House rejects the Government's policies with respect to transportation, which have caused concern, chaos and confusion, as demonstrated by its loss of control over Crown corporations such as Air Canada, CN and Canadair and that the political preference, secrecy and negligence that it has shown in its dealings with such private concerns as Maislin, and condemns the Government for its failure to demonstrate fairness, accountability and leadership in its activity.

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): Mr. Speaker, we have had Hon. Members from both the Conservative Party and the New Democratic Party excusing themselves this afternoon because they had planes to catch. They stood up in the House to criticize Crown corporations, but I wonder which mode of transportation they are

using to return home today. Yes, they will be using Air Canada and will probably praise its efficiency.

First I would like to thank the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan) for using Standing Order 62(11) to bring this topic before the House of Commons. It has allowed all three Parties to put forward their views. I always considered the Hon. Member to be a very fair Member of the House. I found him very fair in committee and in the Chamber, but I am sorry I cannot say that with respect to his motion.

Looking at the motion one would think the whole country is falling apart. He has lost points with me there. To save time I want to point out that there is a lot of control over Crown corporations; if anything, perhaps too much control. There is accountability and there is leadership. The Transport portfolio encompasses some 22 Crown corporations. They fall broadly into the two categories about which we talked this afternoon. The first category is commercial Crown corporations, such as CN, Air Canada, NTCL and Pilotage Authorities. The second category is comprised of commercially oriented Crown corporations which are dependent upon appropriations, such as VIA, Ports Canada and the St. Lawrence Seaway Authority.

Despite a great deal of publicity surrounding Crown corporations in general and criticisms thereof by the Auditor General and others, by and large Transport Crown corporations work very well. I believe it is very fair to say that all Crown corporations serve the country well and that steps are constantly being taken by both the corporations and the Government to improve the operation of corporations, their structure and levels of service, to the over-all benefit of Canadians and at reasonable cost to taxpayers where appropriations are required.

The Government for its part has undertaken to improve the situation for both major Canadian railways, and in so doing for the shippers of a wide range of commodities, by proposing revisions to the Crow rate, which I will not get into now.

The Government has recently undertaken to streamline the operations of major ports by introducing a restructured ports organization under the Canada Post Corporation. One of my tasks when I was appointed Parliamentary Secretary was to monitor the Canada Ports Corporation Bill through committee and through the House. The Government introduced Bill C-153, formerly Bill C-123, to further enhance the efficiency of its approval powers for Crown corporation ventures and to enhance the accountability mechanisms available under the many constituent Acts of the corporations.

The corporations themselves are continually updating their managements and organizations to meet the demands of the time. Both CN and Air Canada experienced losses in 1982, as did many private corporations, and both CN and Air Canada have been undertaking adjustments which are intended to reflect today's realities and place them back in a profitable position. These adjustments have often had to be made despite severe opposition in the communities affected, and in some instances losses continue to be absorbed by the corporations as a social responsibility.

• (1650)

CN, for example, is rationalizing its money-losing express operations and consolidating its complimentary trucking operations. At the same time it continues to operate services for which it loses money, such as Terra Transport, as a social obligation. Air Canada is trimming its over-all capacity and has recently streamlined and pared its management organization. It continues to look for sources of cash such as sales or leases of aircraft currently surplus to its needs. It has recently received approval to reduce its shareholding in a subsidiary corporation at considerable profit.

At the same time Air Canada is also looking at ways in which its long-term cash flow can be improved. This sometimes requires upfront capital expenditures such as investment in a new headquarters building in Montreal which, though some claim to the contrary, represents the best deal for the company in both the short and long-term, and advancing of other expenditures such as the refurbishing of cargo aircraft to meet 1985 Canadian and American noise standards in 1984 instead of 1985.

Northern Transportation Company Limited continues to provide an excellent, reliable, safe and efficient service along the Mackenzie River system, in the Beaufort Sea and on the west coast of Hudson Bay and continues to make a profit. In 1983 it is also absorbing substantial losses at the request of the Minister of Transport (Mr. Pepin) to continue to provide service at the Athabasca system.

The other Transport corporations continue to function well and largely without controversy, including the Ports Corporation and its 15 ports, the nine Harbour Commissions, the Seaway Authority, the Pilotage Authorities and the bridges.

The motion deals with the Government's loss of control over Crown corporations. Let me demonstrate, Mr. Speaker, that there is already a wide range of control mechanisms in place through general and specific statutes in force. Of overriding importance to all transportation companies, including Crown corporations, are general Acts such as the National Transportation Act, the Aeronautics Act, the Railway Act and the Canada Business Corporations Act. Still of the general nature but with application to Crown corporations alone rather than to all enterprises is the Financial Administration Act.

Finally, many Crown corporations are the creators of their own constituent Acts; examples within Transport Canada are the Air Canada Act, the Canadian National Railways Act, the Canada Ports Corporation Act, the St. Lawrence Seaway Authority Act. The Financial Administration Act and, where applicable, the constituent Acts and the Canada Business Corporations Act contain many checks on the freedom of Crown corporations to act without prior Government knowledge and approval and many methods through which the activities of Crown corporations can be influenced or controlled by the federal Government.

It would be worth while to examine some of these control mechanisms in more detail in order to illustrate how they do in fact give the federal Government effective control over its

Crown corporations. Perhaps the most basic form of control is through the appointment of the chairman of the board, members of the board of directors and the president and chief executive officer. I was very pleased to hear the compliment paid by the Official Opposition to the Chief Executive Officer of Air Canada. The Air Canada Act and the Canadian National Railways Act specifically reserve these appointments to the Governor in Council. Even in the case of Canada Business Corporations Act Crown corporations, it is the practice of the federal Government to reserve appointments of chairmen and presidents for the Governor in Council. In all cases, Governor in Council appointments of the above nature are for a fixed term with provision made for extension at the Government's discretion. In addition, all such appointees can be removed for cause by the Governor in Council during their term of office. It works both ways.

As a means of exercising practical day to day monitoring of Crown corporation activities, there are frequent unofficial contacts between the Minister of Transport or his senior staff and the President of Air Canada, Canadian National, and other Crown corporations reporting through the Minister of Transport. This serves the Government both as a tool to sense changes in Crown corporation behaviour and financial performance and as an informal means to pass on the wishes of the responsible Minister to the chief executive officer.

The capital budget process is one of the most visible and effective means for the federal Government to control the activities of its Crown corporations. Through the Financial Administration Act, each self-sufficient Crown corporation is obliged to submit a full capital budget for Treasury Board review and Governor in Council approval. Financially dependent Crown corporations are obliged to submit not only a capital budget but also an operating budget. Both Air Canada and Canadian National submit capital budgets for approval through the Minister of Transport.

In submitting capital budgets, Crown corporations must satisfy the federal Government in terms of adequate detail regarding plans and proposed expenditures. The Government can insist on information for subsidiaries as well as for the parent corporation. For example, when Canadian National submitted its 1983 capital budget for approval late in 1982 the company provided, at the Government's request, financial information and planned expenditures broken out for subsidiaries as well as for the parent corporation.

The approval given by the Government to a capital budget is very specific; that is, the Crown corporation has very little latitude in terms of reallocating expenditures and has no authority to exceed the approved expenditure level. If the Crown corporation wishes to do either of these, it must approach the Government with a request for approval of a revised budget. Air Canada has recently done this.

A major control mechanism for the federal Government is the requirement that Crown corporations obtain Government approval before borrowing. Of course, this would include borrowing by the corporation from the Government, but the Government also has full authority over Crown corporation borrowing from the private sector. The over-all borrowing plans for Crown corporations must be included in the annual capital budget, and are therefore subject to general Government approval. Specific borrowing within the ceilings established in the capital budget is also subject to subsequent approval.

All Crown corporations are required by the Financial Administration Act to submit an annual report which is tabled in Parliament as a public document. Air Canada and Canadian National have consistently met the strict deadlines for submission of annual reports outlined in the Act.

Under their respective Acts, both corporations' annual reports are automatically referred to committee where company officials frequently testify before the estimates as to how the companies have done recently. I would like to compliment all of the members of the Transport Committee for the effective way that they question these officials when they appear before the Transport Committee. I think this is a true sign of parliamentary control and parliamentary accountability.

While the federal Government believes that annual reports provide a good snapshot of corporate performance on an annual basis, it is felt that interim information is also needed to monitor performance adequately. For this reason the Financial Administration Act, Section 75(4), now states that:

> A corporation shall make to the appropriate Minister such reports of its financial affairs as he requires.

This very broad authorization gives the Government full power to inquire into the financial affairs of Crown corporations and to take remedial action if required.

In order to ensure the protection of Parliament and the public as the ultimate shareholder of Crown corporations, the federal Government pays close and careful attention to the appointment of auditors. Accounting firms of unimpeachable reputation have been engaged for Air Canada and Canadian National to verify the books of account and records maintained in their support for both companies. The federal Government believes that the reports of these qualified professional auditors are an indispensable tool in monitoring the financial performance of its Crown corporations.

Ministers, their officials and the corporations themselves have been engaged for a year now in intensive study and discussions about the appropriate balance of policies and procedures needed to enable the Government to exercise its responsibilities while ensuring that these corporations are as free as possible to operate in a corporate milieu. Over this period a variety of structures and processes by which the federal Government can give direction to Crown corporations has been developed and modified in response to changing circumstances. In the Air Canada Act, there is a specific and clear provision for direction to the company. Section 8 states that the corporation shall in the exercise of its capacities and the carrying out of its activities, comply with direction of a general nature given to it by order of the Governor in Council.

I see, Mr. Speaker, that you are giving me the signal that my time is now up.

The Acting Speaker (Mr. Blaker): It being five o'clock, I do now leave the Chair. The House stands adjourned until eleven o'clock Monday morning. May I wish Hon. Members a good weekend.

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

HOUSE OF COMMONS

Monday, June 6, 1983

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—PARLIAMENT

Hon. Erik Nielsen (Leader of the Opposition) moved:

That this House condemns the Government for its deliberate and persistent undermining of the Parliamentary process, for its flouting of Parliamentary traditions and for its continuing attempts to reduce Parliament and Parliamentary government to an irrelevant appendix in the formulation and application of major national policy decisions and the expenditure of public funds, and demands that the Government immediately reverse its attitude of regarding Parliament as the private preserve of the Liberal Party thus hastening the restoration of respect for and the dignity of this institution.

He said: For a long time, Sir, we have been hearing about the erosion of Parliament. We have been hearing it from the Auditor General, hearing it from the media, from committees of this House, from the Opposition, and occasionally from a courageous backbencher on the Government side. It does not appear as though any of the warnings, admonitions or demands have had any effect whatsoever.

In spite of sweeping rules changes in 1968, it is clear that Parliament has never suffered so much by the neglect and abuse of Government as this Parliament at the present time. The rules changes have had the effect of weakening Parliament's control of the expenditure of public funds by removing the study of the estimates by the Committee of the Whole of this House. Certainly when the amount of business Parliament must contend with is considered, some measure was needed to relieve the pressures of those burdens on this House. But unfortunately, the net effect of all of the measures taken has been to weaken Parliament's control over the fiscal operations of this country.

One of the major problems is that Government has been operated by people who in their hearts really do not believe that Parliament is necessary. The Prime Minister (Mr. Trudeau) has made it clear in numerous statements that Parliament is an extraneous irrelevancy to the business of Government. The Prime Minister considers Parliament a nuisance. Indeed, in his some 15 years in office I dare say that he has not participated in debates in this House more than half a dozen times. Even more clearly has this appeared in the contempt with which he and his Government consistently address this House.

Let us just look at a few events in recent months. The Prime Minister unveils the Government's policy on the Cruise missile in a letter to the press, with an accompanying note to suggest that in the interests of public information this had better be published. So we are now at a point where, from the august precincts of the Prime Minister's office, diktats are handed down for publication in the media for the enlightenment of a docile public. No tin pot dictator of a banana republic could have handled it more in accordance with the traditions of such institutions. Parliament has never been made aware in detail of the Government's policy position on the Cruise. We have not been given an opportunity to have the facts in this House. We have not been granted permission, even though we requested it on more than one occasion, to have before us the weapons testing agreement signed with the United States. This has never been ratified or debated by the elected representatives of the people in this House, yet this is a matter about which hundreds of thousands of Canadians have shown a well founded concern.

• (1115)

Canadians are concerned about the tergiversations, for want of a better term, of the Prime Minister in international policy, a policy which the House has not had the opportunity to debate. Instead of coming into the House and explaining the role and posture of Canada as an evenhanded broker between the United States and the Soviet Union, he elucidates his position in a long and detailed interview with a friendly Toronto newspaper. When he is pinned down on his criticisms, implied and direct, of the President of the United States, he attempts, unsuccessfully as it turns out, to backwater.

The point is that the debate is not carried in the House, where procedure, tradition and the highest demands of parliamentary freedom would suggest that it be carried on, but, rather, in the press, where the Prime Minister cannot be questioned, cannot be replied to, and his views cannot be tested.

What is the position of Parliament when the Prime Minister, acting strictly on his own, for purely political reasons, casts the nation in the dubious role of umpire or arbitrator between superpowers locked in nuclear confrontation? The concept of an evenhanded approach to the United States and the Soviet Union has never been debated or approved in the House. What does it mean? Are we to equate the actions of the aggressor with those of our friend and neighbour, our ally in NATO? Are we to erase all distinctions between the super slave power, whose aggressivity has cast a pall over Europe, Asia and Africa for 35 years, and the actions of the United States, whose foreign policy is aimed at preserving world peace and

stability? The Prime Minister obviously finds such distinctions to be oversimplistic, yet they are the distinctions which reside in the hearts and minds of Canadians who will resent being placed in a position of putting the United States and the U.S.S.R. on the same footing in Canadian foreign policy. None of this has ever come before the House for debate and resolution. Time and again, Parliament has been bypassed by the Government, frustrated by the continuing absence of Ministers and the continuing evasions on the Government benches.

There was a time when there were a few Ministers opposite who were honest and forthright in their answers to questions, but they are now all part of the same slippery bunch. We have had legislation dumped on us, literally dumped on us, poorly conceived and badly put together and, at the very best, ill-timed.

A year ago, for the first time in the House, the bells rang out for two weeks, an explosion of frustration and bitterness at the cavalier treatment of Parliament. At that time we were faced by a demand from the Government to rubberstamp an energy Bill containing elements of no less than 12 pieces of legislation, a demonstration of contempt for Parliament unequalled in many, many years.

We have had budgets tossed casually into the House and revised before the ink was dry. We have had budgets brought into the House, the only purpose of which was to revise the egregious errors of previous budgets. We had a proposal for the Crow rate thrown together in obvious haste and then altered before we had a chance to come to grips with it, and now altered again.

These Bills are writ on water. Parliament is not the same kind of quick lunch joint where the menu is changed every half hour. This is the public business. We have had Opposition days altered on a moment's notice by a Government which does not give a damn. Never has the public business been so poorly organized, so inadequately presented, so incompetently put together as under this Government.

Mr. Smith: What about December of '79?

• (1120)

Mr. Nielsen: What do they want Parliament to do? Lie down and roll over? That is what they would like.

Regardless of the Prime Minister's opinion of Parliamentarians, Parliament will not do that unless, of course, the Government adopts the attitude which was adopted in Ghana when that new democracy modelled after Westminster was formed. The Government did not like the opposition there so it abolished it and threw half of them in jail. That is not going to happen here.

The sheer length and complexity of the Government business is another element in this Government's continuing contempt for the institution, its traditions and clear and central position in preserving the freedom of Canadians. No Government has ever before in our history been so interventionist. This Government's centralizing policies have imposed upon Parliament a nearly insupportable burden of legislative quackery and parliamentary fiddle-faddle that no Parliament should have to put up with.

Because of this Government's inertia and incurable propensity to cover its tracks, we have had to take time out to extract the painful and distressing story of the clandestine arrangement between a former Minister and his colleagues in the Gillespie affair. We have been seized with the regrettable and sorry affair of another former Liberal Minister now before the courts. We have had the issue of a chairman of a major Crown corporation under investigation. In each of these areas the Government has thrown a smokescreen around Parliament's right to know. The official cover-up has gone into play.

In spite of the whiff of corruption emanating from that side, we are put off with the excuse that the matter is under investigation. These exercises in insider corruption within the Liberal Party do not serve to enhance the image of the Liberal Party.

There are Members on that side who are just as scandalized and just as disillusioned as we are in these matters. There are honest Members on the Government side. They are decent, hardworking Parliamentarians with an abiding respect for the institution and its traditions who are shocked and put off most strongly at the way in which Parliament is being degraded under this Government. They are concerned, as we are, at the parallel Government which is the personal creation of the Prime Minister, a caricature of Government, run by his flunkies which the Prime Minister has instituted to carry out his personal ideology. It is referred to by the Auditor General as a Government within a Government. The spidery network of Crown corporations and agencies, holding companies and quasi private corporations operated from the Prime Minister's office constitute a threat to the freedom of this country. What he cannot do by the front door, he is trying to do by the back door.

Parliament stands in the way of the socialization of this nation against the popular will. Therefore he is attempting to bring it about extra-legally and extra-curricularly by using public funds and the efforts of men who are sworn to carry out the wishes of the Prime Minister. This man has more court favourites than Louis XIV and each one has his own private little kingdom to operate at the taxpayers' expense.

It is true that they go through the motions of bringing these matters to Parliament, but well after the fact. What will the House of Commons do with 1,400 gas stations? Perhaps they will serve as a place of employment for Grit flunkies after the next election.

Continuing contempt, disregard, neglect and abuse of Parliament has been the hallmark of this Government. From the buffoonery of the Minister of Finance (Mr. Lalonde) in front of the TV cameras with his budget papers to the backing and filling of the Prime Minister in delicate international matters of primary concern to Canadians, Parliament has been told to take a back seat.

• (1125)

It has been made clear to this House, elected to serve and to represent Canadians in the same way as the Prime Minister was elected, that we have all been red circled. This House has been kept sitting here longer than any Parliament in the history of this country, including the "long Parliament,' of Charles I. We have not had a Throne Speech in nearly four years. What does that mean? It means there has been no blueprint of Government plans, no blueprint of Government intentions, so that Parliament has been kept deliberately in the dark. I would venture to suggest, Sir, that if Parliament is in the dark it is not more so than the Cabinet itself, whose members are usually the last to know about the Prime Minister's intentions.

Parliament has been inhibited in carrying out its functions. This House has been prevented from acting on major national issues, such as unemployment, high interest rates, bankruptcies and the sliding of the economy down the slippery slope of recession simply because this Government has removed its expenditures from the control of Parliament. As a result, Canadians everywhere have suffered. They have been subject to policies of economic attrition. They have been made to pay in lost jobs, lost income, higher taxes for the inefficiencies of an arrogant Government wrapped in a cloak of its own isolation. We are now in the clearly unconstitutional position of going into the fourth year of this Parliament without a new session, another indication of the Government's contempt for those traditions and laws which have made parliamentary democracy the envy of the world.

Only Parliament stands in the way of the Prime Minister's attempt to create a kind of corporatist state in this country. In order to do this, it is necessary for him to break or to bypass the power of the House of Commons, weakened though it may be. He has been working very hard at doing so—

Mr. Gauthier: Who wrote that nonsense?

Mr. Nielsen: —and the time has come to call a halt and bring this Government back to the realization that it is not going to be able to govern without the consent of Parliament.

Some Hon. Members: Hear, hear!

Mr. Nielsen: This is the purpose of the motion before the House now, perhaps the most serious ever to come before the House of Commons since I have been here. This country cannot operate in freedom with Parliament shunted to the sidelines, as it has been under this Government.

I described the motion before the House as extremely serious, and the President of the Privy Council (Mr. Pinard) laughs. That is one further indication of the mental attitude that exists over there with regard to the Government's contempt of this institution.

Mr. Pinard: Ring the bells again, Erik.

Mr. Nielsen: My friends, if the Government abuses the parliamentary process again as it did on the occasion when it tried to smuggle 12 pieces of legislation under the covers of one Bill, we shall adopt any means available to us to prevent that kind of abuse.

Some Hon. Members: Hear, hear!

Mr. Gauthier: That is arrogance.

Mr. Nielsen: Another Member, the Hon. Member for Ottawa-Vanier (Mr. Gauthier) shows the same degree of contempt for this institution about which I am speaking. Liberal Members do not understand this place. That is very sad, Sir.

Some Hon. Members: Come on. Erik.

Mr. Deputy Speaker: Order, please. The Hon. Member for Yukon has the floor.

Mr. Nielsen: On the grounds of competence alone, Parliament cannot be a dumping ground of badly conceived legislation, half-baked budgetary attempts that must be constantly revised, and disorganized House business. Parliament is entitled to be treated with respect. This is a lesson which the Government and those who support it seem unable to learn. The Prime Minister must cease and desist his attempts to create a parallel Government to wrest control of the purse strings from the House of Commons and to relegate Parliament to a back seat in the decision-making process.

One of Parliament's primary functions is to prevent the excesses of Government. This Government has done everything possible to inhibit Parliament's role. The purpose of this motion is to attempt to bring home to the Government and to the Prime Minister that he must cease his performance as some kind of sun king, that he cannot expect to create important foreign policy in the media, particularly when it involves a role of which Parliament has never approved and threatens our relations with our allies. This Government and those who support it must be brought to realize that Parliament's role is not to be diminished or curtailed but rather the opposite.

• (1130)

Canada is not ready for a one-man government, even if the Liberal Party is. God help us if the country ever reaches the stage which the Prime Minister is attempting to bring about. Parliament is now at a crisis in its long history in the country. If the Government, which has attempted to control the media, the private sector and to downgrade the role of the Provinces, continues in its determination to govern without Parliament, then the Government has voted in favour of its own terminal decay.

I hope Hon. Members on the Government side will rise to participate in this debate and, in so doing, justify if they can—and I challenge them to do so—the number of occasions since they came back in 1980 where they have bypassed and thwarted the parliamentary process deliberately by reason of the fact that they regarded it as some kind of private, personal perserve of the Liberal Party.

Some Hon. Members: Hear, hear!

Mr. Pinard: Mr. Speaker, I have a question for the Hon. Member for Yukon (Mr. Nielsen). He complained at the beginning of his speech that Parliament did not have an opportunity to discuss international affairs. He knows very well that under the rules this matter can be raised on an Opposition day, as is the case today. This subject could have been chosen and would have been much more appropriate and serious. Could the Hon. Member explain why this subject was not chosen for today, and where is his critic for international affairs?

Mr. Nielsen: I suppose the President of the Privy Council can be forgiven—and I say this with generosity and without offence—simply because he has not been here long enough to appreciate the standard annual practice which existed in this place prior to the election of the present Prime Minister, where external and foreign affairs were debated on an annual basis on days that were put up by the Government. Earlier when I first came here two days of Government time were allotted back to back for the purpose of debating external affairs. I must say that as a result of that kind of practice there was a far closer harmony, which there should be, between Opposition and Government benches on external and foreign affairs, because that is the manner in which we should appear on the international stage when it comes to that exceptional policy area.

When the Prime Minister was elected that changed. The President of the Privy Council indicated the practice when he first came into the House. He will also admit that it changed with the changes of rules. Now, because the Government—and I say "Government" because its majority passed these changes—allotted us a specific number of days, it expects us to use our days as it sees fit. They are our choice, not the Government's choice. It would like to determine the subject matter of those days, but that is one of the freedoms that still rests with us. I hope that adequately answers the question of the President of the Privy Council.

Mr. Pinard: Not at all, Mr. Speaker. Once again the Hon. Member for Yukon has led us to believe that the change in the rules which gave the Opposition 25 Opposition days per year was passed because of the Liberal majority. That is simply not true. That is not the case.

Mr. Nielsen: It was passed by closure.

Mr. Pinard: It was not even passed by closure. No, that is not the truth. What we are talking about here is what happened in December 1967 or 1969.

Mr. McGrath: It was 1969.

Mr. Pinard: It was before I was here, 1969. It was by unanimous consent of the House of Commons that those rules were adopted. I invite my hon. colleagues to check the record.

Mr. Nielsen: You had better do that.

Mr. Pinard: The 25 Opposition days were supported by the entire House of Commons in 1969. When they talk about closure, they are talking about Standing Order 75A, 75B and 75C. That was not part of the package. He should know more about the business of supply which was supported unanimously by the House of Commons in 1969.

The Opposition now have 25 days a year in which to select a subject of their choice. They have dealt with other matters but it seems they were not interested in choosing international affairs. The Hon. Member said that it was up to the Government to use its time. Perhaps we could have afforded more time if the bells had not rung for 17 days during the last two years. Despite that, this morning could have been a very good day to be used by the Opposition to deal with international matters. That subject was there to be taken by the external affairs critic of the Tory Party.

The Hon. Member did not answer my questions. Why did they not choose that important subject this morning, and where is their critic on the subject?

Mr. Nielsen: To answer the question very, very quickly, I dealt with this subject in the light of the motion. I have dealt with the very subject which the President of the Privy Council is criticizing me for not dealing with. Let him not speak to us about 25 days. Let him not charge us with holding up the business of Parliament when that business was so abused by the process they attempted that our only recourse was to ring those bells. Let those opposite not talk to me about holding up the parliamentary process when they themselves in 1963 kept the government of the day of then Prime Minister Diefenbaker for 49 days—a record in the House of Commons—by filibustering tactics, forcing the government of the day to go to Governor General's warrants to get enough to pay the civil service. Let not the accusers over there talk to me about holding up the parliamentary process.

Mr. Kristiansen: Mr. Speaker, I have a question for the Leader of the Opposition (Mr. Nielsen). While my colleagues in the New Democratic Party and I join with him in much of his criticism of the arrogance of the Government and what we also regard as its contempt for Parliament and for public opinion, I must say that I found it passing strange to hear the Leader of the Opposition and the Leader of the Conservative Party in the House of Commons condemning the Government for its failure—a criticism which is justified—to bring before the House in a Government-sponsored debate or motion, for instance, the question of the agreement to test the Cruise missile in Canada. I found it particularly strange in view of the comments of the Conservative defence critic, the Hon. Member for Victoria (Mr. McKinnon), on April 29, 1982, when my Party gave up its allotted time to enable a defence and foreign policy debate. At that point the Hon. Member for Victoria said:

> The second recommendation is that there be no Cruise missile testing in Canada. I have many reasons as to why we cannot and should not support such a recommendation. However, I will limit myself in this short and gratis time to saying that we—

He was referring to the Conservative Government of 1979-80.

—agreed to the modernization of nuclear weapons in 1979. The present government has concurred in the decision which was taken. We should fail in our commitment in the worst possible fashion if we were now to decide that we would not allow this vehicle to be tested in our skies.

If it was in fact, as his defence spokesman said, the policy of the P.C. Government to reach these agreements to test the Cruise missile and other weapons systems in Canada, how can the Leader of the Opposition now play the role of the pot calling the kettle black and simply accuse the Government, which is also guilty, of refusing to recognize its proper role and showing contempt for Parliament?

Mr. Nielsen: Mr. Speaker, how much time do I have left? There is no way that I could adequately answer the Hon. Member as he deserves to be answered in the short time remaining. The fact is that as short as it was when we were in office for that seven months, it was our Secretary of State for External Affairs who was part of a government which brought accord to the two-track policy that is now being followed by the Government. Our policy on Cruise testing is known. It is succinct and it is public, and the Hon. Member knows that.

• (1140)

Since his coming into this House, I have noticed that he is prone to twisting, distorting and changing colour in order to suit the public opinion of the day. That Hon. Member's opinion cannot be accepted on any matter. All he does is twist, ride and distort for the purpose of pushing the so-called socialist position on anything; always grandstanding, like the Member in front of him. He is always attempting to grab an issue and then be very annoyed when he cannot do so.

That is understandable because (a) they are Members of the New Democratic Party; therefore, that explains a lot; and (b), they are in deep trouble in this country so they grab at anything they think will lift them up by their bootstraps, if they can see a way of doing it. They will grab on to anyone's coat tail. It does not matter whose coat tail it is, as long as they think it will give them a lift in the public opinion polls.

Mr. Smith: Mr. Speaker, I would just point out to the Leader of the Opposition (Mr. Nielsen) that he has a short and selective memory. During this session of Parliament, in the Summer of 1980, the Government did in fact allocate two days of Government time to a debate on international affairs. That, of course, was before we got into the constitutional filibustering and the bell ringing. If there has been any breach of parliamentary tradition, it has not been on this side of the House.

Mr. Nielsen: I realize my time is short, Mr. Speaker, so I will keep my answer short. That intervention amounted to a crock of rhubarb.

Mr. Deputy Speaker: The period for questions and answers has expired.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I must confess that I found the answer of the Leader of the Opposition (Mr. Nielsen) to my colleague's question almost tantamount to temporary insanity. I cannot believe that he would attempt to worm his way out of the clear and unequivocal statement that is contained in the answer with regard to the Conservative position as it applies to the testing of nuclear weapons. It brings the debate down to a level I had hoped it would not reach.

I had intended, as you will appreciate, Mr. Speaker, to stay directly within the confines of the motion. I will, of course, do that, but I must draw to your attention in response to the comments by the Leader of the Opposition that any normal, reasonable individual reading page 16745 of the Commons *Debates* for April 29, 1982 would find the following words:

The second recommendation is that there be no Cruise missile testing in Canada. I have many reasons as to why we cannot and should not support such a recommendation.

Those words are attributed directly to the Member speaking on behalf of the Conservative Party, a former Minister. He was speaking to a motion put down by this Party in opposition to the testing of the Cruise missile. He went on to say:

However, I will limit myself in this short and gratis time to saying that we agreed to the modernization of nuclear weapons in 1979.

He was speaking about the Conservatives. I want this to be listened to. Again I quote:

The present Government has concurred in the decision which was taken.

Any person with any degree of intelligence reading that could come to no other conclusion but that the Conservative Party was in agreement with the attitude and policy direction of the Government of the day, the Liberal Party. It bears out exactly what we have been saying for the better part of the last three years, that there is no difference. On major issues, there is no difference between the attitude and policy direction that would be taken by the Conservatives over and against the attitude and policy direction that has been taken by the Liberals.

For the Leader of the Opposition to rise with such indignation and attempt to leave the impression that the Conservative Party was opposed to Cruise testing and that my colleague's very well taken statements were somehow or other not an appropriate reflection of what was said by the spokesman of the Conservative Party in 1980 is very difficult for those of us in the House of Commons to absorb. I held him in higher esteem than that. I find it very difficult to imagine what possessed him to rise and make such an obviously inaccurate statement.

Passing on from that, there is an element of concern that must be expresed about the general attitude that prevails within the House of Commons. There is a misunderstanding on the part of many people of the role of the House of Commons. Because the misunderstanding has been held for a long time, the role of the House has deteriorated. People believe that because one Party gains a majority, it therefore has carte blanche to do whatever it believes, to bring forward at any time whatever measures it believes are appropriate, and that the balance of the House of Commons, the Opposition in particular, are being obstructionist if they in one way or another try to stop the Government from passing what the

Opposition may consider to be illegitimate. I know that you, Mr. Speaker, do not adhere to that view of Parliament. I suspect there are others who do not adhere to it.

The Government has the right to bring forward whatever legislative proposals it deems advisable in its so-called wisdom. However, the Opposition also have certain rights and obligations. It is the right of the Opposition, in as constructive a way as possible within the rules, to attempt to stop the Government from passing that which it believes is inadvisable. It has the obligation to do all in its power to keep the Government from putting in place laws that it believes will be of long or short-term harm to the country as a whole.

Much of the aggravation that has developed in the House of Commons of late has centred around the role of the Opposition and the way the Opposition approaches its tasks and obligations. The most recent example is the ongoing debate over the Government proposal to change the Crowsnest Pass freight rates. I do not intend to deal with the substance of that because that would not be in order. However, I want to make reference to the way in which that and on other occasions other legislation has been brought forward.

The Government will take one of two principles that may find favour as a question of principle with the House of Commons and do as it did in this instance by including two matters of genuine concern across the country. For example, there is the revitalization of the railroads and the disposition of the dominion coal lands, both of which as a matter of principle the majority in the House of Commons would agree ought to be dealt with. How they should be disposed of would become clear as the question was put before the House.

The Government in this instance, however, as it has in other instances, has taken an absolutely unacceptable measure and lumped it in with the other two, making it extremely difficult for Members who are attempting to do their job diligently and well to vote with a clear conscience on the principle of the Government's measure. The Government's measure in fact contains three principles, two of which may well be acceptable and one of which is totally unacceptable.

• (1150)

That is an abuse of Parliament and it is the kind of abuse that worries me. That is the kind of abuse which causes legislation that is unacceptable and which may have a long-lasting, detrimental effect, to go through the House of Commons and become law. It happens because the Government wants to sneak through something which is very contentious and potentially harmful along with measures that are somewhat less contentious and, if properly handled, would be beneficial.

There is no one in this House who disagrees with any proposal to upgrade the transportation system in this country. No one would disagree that as a matter of principle that ought to be pursued. No one in the House of Commons is prepared to deny that it is time we dealt with the dominion coal lands to determine how they should be utilized and who should have jurisdiction over them. To bring forward each of these measures in separate pieces of legislation—they are not tied together and are not dependent one upon the other—would make good sense, and that is what the Government ought to do.

No one denies the Government's right to propose changes to the Crowsnest Pass freight rate, but that action is not a matter that need be dealt with in conjunction with the upgrading of the transportation system or the disposition of the dominion coal lands. It can and ought to stand on its own, as a matter of principle.

While the position of this Party would be diametrically opposed to the position likely to be taken by the Government and the Official Opposition on the question of the Crow rate, it recognizes that it is the right of the Government to make whatever proposal it deems necessary for its own purpose. It is the obligation of Opposition to do what it can to make sure the things it does not agree with or believes will have a long-term, detrimental effect, are stopped.

I say to you, Mr. Speaker, dealing with that one aspect of the way the House of Commons operates, that there is an abuse of Parliament. It is not the kind of abuse about which the Leader of the Opposition was speaking, but in my opinion it is a serious abuse. It is an abuse which stems from the Government wanting to get certain things done and attempting to push them through with other matters that, if at all related, are only marginally related. The Government must look seriously at its tendency to put into what is now commonly called an omnibus Bill—although it may not adequately apply to this—a number of things that are at odds or are not related. Members of Parliament have the right to have matters of principle put before Parliament in a clear, concise way, a way that is not obscured or fogged, a way that enables them to deal with questions singly and vote upon them as their conscience and knowledge dictate.

You know, Mr. Speaker, as I do, that the whole subject of complicated questions has been before Parliament since the beginning of Parliament. The Government of the day—and I suspect this is not an attribute solely applicable to this Government but to many other Governments that have done likewise—may choose to ignore the important principle that questions can be resolved by the House of Commons singly, as a matter of conscience and as a matter of principle. The Government ought to rethink its position on this principle.

There is another abuse which flows from the way the business of the House is being conducted of late. That is the question of asking the Opposition to pass legislation that it has not seen in a single day. I wish that we did not have to do that. It is difficult to accept that Members of the Opposition, without actually having seen the legislation, should be asked in advance of its even being brought forward to give a commitment to deal with it with one day's debate. I do not see that as a useful addition to the way in which Parliament operates and I urge the Government to recognize that it creates problems rather than solves them.

I appreciate that there is a need, on matters of a somewhat less controversial nature, to look at ways in which the Government may proceed with its business in an orderly manner. I do

not think the Government should draw the conclusion from that that every single matter it brings forward can be finalized within a time period that it sets down and which is acceptable to it alone.

There are other questions that begin to draw from the value of the House of Commons. A practice has grown up of late that Ministers of the Crown do not make statements in the House. How often have we read in Saturday's newspaper or watched on Friday night television or listened to a radio newscast and realized that a Minister has sneaked across to the Press Gallery at 4.30 on Friday evening to issue a statement of importance without the Opposition being given an opportunity to respond to it and without its being put on record for public consumption at a time when it would be possible to put our positions on the subject forward simultaneously. There are certain Ministers who do this on a regular basis. They tiptoe across, without a word to anybody, and fill the ears of the press full of rhetoric. By seven o'clock on Friday night when the journalists have a chance to see what the Minister has to say, they have to try to track down a Member of the Opposition to get a response to a statement that the Opposition had not heard or has had no opportunity to study. What is the point of making statements by Ministers available to Cabinet, which of course gives the Opposition an opportunity to rebut or enter into some small debate, if that practice is to be misused by not being used at all? That is an area where there has been serious abuse of Parliament.

That is not the practice in Westminster, Mr. Speaker. I recall being at Westminster representing this House of Commons at the time of the Falklands crisis. A statement was never made outside the House with regard to that very crucial issue of the time. There was always an announcement that the Minister would be going to the House of Commons to make a statement within moments, and that the Opposition would be able to question the Minister. That is the way public business should be conducted. That is the way debate should be conducted. It must take place inside the House of Commons where the public can view it through television, can hear about it through other media, and can see the responses from the Official Opposition and the New Democratic Party to a clear and concise statement made publicly by Ministers in the proper forum. It is an abuse when the Government does not follow that practice.

Then there is the question of Government expenditures. The Government decides it is going to go ahead with a change to the Crow rate but instead of coming to Parliament and proposing it there first, it advertises the program all across the country at public expense, without having had approval and with no indication that it might become law. It spent tens of thousands of dollars of public money on a program that, when it finally came before Parliament, was substantially different from the program it proposed in the first instance and which it attempted to sell to the people of western Canada. That is an abuse of Parliament. There should be no advertising by Government of its programs until after those programs have been brought into the House of Commons and dealt with.

• (1200)

That, in my judgment, is the sort of thing we should be dealing with. The questions put are questions of fundamental rights. No one denies that the Cabinet, being the Government, has the right to bring forward whatever proposals it deems necessary for the future of this country. However, equally no one can deny that it is not only the right but the obligation of Parliament to deal with those questions in the House of Commons and to dispose of those questions in the way in which Parliament as a whole feels is appropriate and necessary. The adage that it is Government's right to propose and Parliament's right to dispose must be held to be of vital importance.

It is time that this Government, like all Governments, began to understand that to gain a majority at the polls does not give any Party the right to do whatever it pleases, notwithstanding the parliamentary process which is in place. Just to have a majority at the polls does not give a select few individuals, chosen by the Prime Minister (Mr. Trudeau), any proprietary rights over the democratic system established to safeguard the people of Canada from a dictatorship which could be set up. I say to you, Mr. Speaker, in looking at this motion, that I feel there is a place for this kind of debate. It is an important motion and it is important for the reasons I suggest. I believe it is a vitally important motion because I believe that in fact Parliament has become somewhat less important, and I regret that that has been allowed to occur.

Mr. Cullen: Mr. Speaker, I agree with part of what the Hon. Member for Hamilton Mountain (Mr. Deans) says, that this is a debating forum. What concerns me, however, is that we have a Bill dealing with the Crow rate and we cannot get it on to hear both sides of the issue. The New Democratic Party has already made up its mind that the Crow shall go or that the Crow shall stay. Having made up their minds to do this, Hon. Members of that Party have read into the record a series of petitions and things of that nature. We have heard their side. We have heard their opposition. However, I hardly think that that is debate. I would agree with the Hon. Member; let us bring the legislation on, let us debate it, and let the people of Canada see if the Government also has a position to make, rather than hearing just total opposition to it. Is there a case to be made for the Crow Bill or even some amendments to be made to it as it stands at the present time? Your Party would not even let it be introduced, which is not the traditional way to do things around here. Under normal circumstances—and I have been here 15 years—I can think of about two or three occasions when people have refused to allow a Bill even to be introduced. I believe that is an inappropriate use of a parliamentary situation. We are hearing your side, but I do not feel we have had an opportunity to hear what the majority's side has to say about the subject.

Mr. Deputy Speaker: Order. The Hon. Member does not need to be reminded that his remarks should be addressed to the Chair.

Mr. Deans: I am happy, Mr. Speaker, that you brought that to the Hon. Member's attention. He tends to abuse the rules regularly. What the Hon. Member is saying, Mr. Speaker, is not factual, although it is true that, having had prior knowledge of the content of the Bill, this Party said that it did not believe that the Bill should come before Parliament. I contend that that is an appropriate use of the rules. Given that the Minister spent tens of thousands of dollars advertising his proposals, telling everyone in the land what was contained in them, I feel that once we knew what was in them, and once we recognized the immeasurable harm it would do, we had an obligation to begin by saying that we did not think the Bill should be introduced. Beyond that, however, there has been considerable time for debate.

I put to the Hon. Member honestly that there are three distinctly different principles in the Bill. No one can convince me that we cannot deal with the disposition of the dominion coal lands separate and apart from the upgrading of the railroads or the disposition of the Crowsnest Pass freight rate agreement. No one can convince me that we cannot deal with the upgrading of the railroads separate and apart from the disposition of the dominion coal lands or from the disposition of the Crowsnest Pass freight rate agreement. Nor can anyone tell me that to deal with the Crowsnest Pass agreement requires us to deal simultaneously with the upgrading of the transportation system or the disposition of the dominion coal lands.

What we are saying is that those are three distinctly differently principles. If the Government would like to go ahead with two of them right now, before the end of June, then we would be quite prepared to facilitate that. However, the Crowsnest Pass freight rate is a question of serious contention across this country, a question of great complication, which cannot be dealt with in a short period of time. We feel, given the number of speakers, given the nature of the Government's intention to impose time allocation, that we must stop it now until it agrees to at least divide the three principles. That seems to me to be the way Government ought to operate.

Mr. Cullen: Mr. Speaker, it is interesting to hear the Hon. Member for Hamilton Mountain giving his views on the Crow rate agreement, and that is my point. That is the kind of debate we should have. Perhaps it should be divided into three parts, I really do not know.

Mr. Deans: Let it go to committee.

Some Hon. Members: Hear, hear!

Mr. Cullen: The Hon. Member is clapping. I said perhaps that is the way it should be, but who will know? Who in Canada will know? If I had not asked the Hon. Member the question through you, Mr. Speaker, the country would not have known that that Party would like it divided into three parts. We have an opportunity to debate it here. Let us debate it. Let us make the decision about whether or not in committee it should be split. It is obvious that that Party has made up its mind. It is a minority Party. It has the right to stall, to block and to do as much as it can. However, there comes a time when we should have debate. That is what Parliament is all about. I do not believe that the Government is receiving its just due here in having its opportunity to debate a Bill which it is satisfied is for the general benefit, not only of the people of western Canada, but the people in all of Canada.

Mr. Deputy Speaker: Are there other questions? Debate.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, first of all, I want to say that I honestly believe there is not a single Member in this House who does not have a sincere desire to improve Parliament and to make this institution one that is eminently deserving of respect, because whenever extreme actions or tactics are used by any Members of the House to undermine the parliamentary process and Parliament's credibility, I think everyone of us has to pay for this in some way, and I feel it is very bad for a country where individual and collective freedoms are as respected as they are. I want to make it clear, first of all, that within the framework of the debate on this motion, we on this side of the House are willing to listen to any constructive proposals for improving the parliamentary process and making Parliament more effective, more modern and better able to meet the needs of Canadians.

However, when we read the text of the motion itself, it is clear that it lacks substance and that it is rather partisan. It would have been easy, this morning, to use the text of the motion, especially after the speech by the Acting Leader of the Official Opposition, to make this debate a purely partisan and political one, pointing out various abuses and making this a confrontation which, in the final instance, would have proved to be sterile and would not have enhanced the prestige of this institution, and would certainly not have increased the stature of our politicians in this country.

However, I would prefer to take this opportunity to express some views on our attempts, in recent years, and especially during this session, to improve the parliamentary process, and also to point out certain specific facts which speak for themselves and will illustrate the point I wish to make, and finally, I would like to set the record straight on some statements that have been made.

• (1210)

[*English*]

I would like to start by correcting the record and I hope it will be clear once and for all. The Hon. Member for Yukon (Mr. Nielsen) has been here for over a quarter of a century and should know what happened in 1960 because he was here and most of us were not. I hear a good friend like the Hon. Member for St. John's East (Mr. McGrath), who just left the chamber, supporting the affirmation made by the Leader of the Opposition when he said that the Business of Supply was forced down the throat of the Opposition through closure in

the year 1960. That is misleading the House and is unacceptable. I cannot understand how Members who were here at the time can so lightly support an affirmation such as this which has been made more than once during the last three years. It is absolutely contrary to the reality, the truth and to what happened in fact.

During the speech of the Leader of the Opposition I asked that I be provided with the proper extracts from the records of the House of Commons. I see the Hon. Member for St. John's East has come back and I hope he will convey the message to his dear leader, the Hon. Member for Yukon.

Mr. Smith: Beloved leader.

Mr. Pinard: His beloved leader, I am sorry. The reference is clear and it appears on page 4230 of *Hansard* for December 20, 1968, when the fourth and fifth reports of the Standing Committee on Procedure and Organization of the House were presented and adopted by all Parties unanimously. The questions were put and agreed to. As shown in the *Journals* of the House of Commons at page 554, December 20, 1968, we see the corroboration of the fact that the new Standing Orders, including 25 Opposition days and the whole Business of Supply we are now applying, were not carried on division, not forced through by closure. The questions were put to the House and they were agreed to unanimously.

So I hope that once and for all the Leader of the Opposition will stop saying the Business of Supply has been imposed on the Opposition. It was a decision taken by Parliamentarians, just like the decision we took a few months ago to experiment in parliamentary reform. That was supported unanimously by Members on both sides of the House. I hope that in future the Hon. Member for Yukon, who has been here for over a quarter of a century, would stop misleading the House on this in order to try and score cheap political points when the facts are absolutely contrary to what he is saying.

[*Translation*]

Mr. Speaker, when I started my speech, I said that I would also like to put certain facts on the record. For a better understanding of what I am about to say, the public must realize that in a week in Parliament—before the present experiment, that is, last year and in previous years—only four days were available to the Government to consider subjects, bills and measures introduced by the Government. On average, the Opposition was usually given one day on which it would select the subject for debate. If we consider the time that has been spent on a number of important measures in the national interest during this session, we realize how limited the Government is in its flexibility and its ability to introduce for debate enough measures in the national interest to meet the needs of a society as diversified as ours.

Perhaps I may refer Hon. Members to the major debates we have had during this session, of which we are particularly proud. The Leader of the Opposition alluded to the fact that this has been the longest session in history, having gone on for more than three years. We are nevertheless proud of that fact, because this session has produced many exceptionally important measures that have made history and that are vital to the entire country. I am referring to what we have done in very basic and specific areas such as the Constitution, energy and the economy. As soon as we started this session, we made it quite clear that we intended to be agressive, to table major issues and introduce appropriate measures, even if they might be controversial, because we felt it was necessary for the country, that it was our responsibility as a Government, and also because we knew these measures would come before Parliament, which would have an opportunity to debate them, we hoped, in a constructive and civilized manner. Unfortunately, that has not always been the case, and I shall talk about this later on. In any case, most people are aware of what happened on certain occasions.

Take the Constitution, for instance. In his motion, the Leader of the Opposition blames the Government, and I quote:

—for its continuing attempts to reduce Parliament and Parliamentary government to an irrelevant appendix in the formulation and application of major national policy decisions—

I should think the term national policy applies particularly well to patriation of the Constitution, the Charter of Rights, the inclusion of the principles sharing, equity and equalization in the constitutional resolution, as well as a new amending formula that was adopted.

However, in order to consider this national question, we had to use . . . I am not complaining, but it is a fact we should not overlook and which explains why so often other measures had to wait their turn, and why some sessions, during which a great deal of business is considered, will tend to last longer. The debate on the Constitution, not counting the meetings of the Committee, took up 38 days of debate in the House on the various motions we introduced, both before and after the debate in committee. If we add the months of televised debate on this important subject in committee, we will realize that Parliament, which consists not only of the House of Commons and the Senate but also of their respective committees, was asked to debate a very important issue, that Parliament was therefore involved in these decisions and that in the final instance, the constitutional resolution we brought before Parliament is a resolution that was debated in the House of Commons, before the Special Joint Committee of the House of Commons and the Senate, and, finally, in the Senate. The Constitution we have now is a constitution made in Canada, but considering the issue we are debating this morning, it is entirely proper to say that it is a constitution that was made in Parliament.

To think there are people who claim that we have downgraded Parliament. I wonder how they could forget the time the House spent not so long ago on issues that are of vital importance to the entire country. Thirty-eight days is quite a long time, when we realize that the Government has four days a week, which means that in one month, there are 16 days

available, on average, for considering government business. This means that for more than two and a half months, aside from the days set aside for the Opposition, there was no time for anything else on the floor of the House except the debate on the Constitution. Almost one third of the time of the House of Commons was used for the exclusive consideration of constitutional resolutions, not including the debate in committee.

Another major issue was the National Energy Program. This major debate took 112 days of Government time in the House of Commons, Mr. Speaker. Perhaps we should realize that 112 days represents nealy a full year of the time of the House, spent exclusively on energy and the Bill on our national energy policy—112 days, which means 377 hours and 22 minutes, and this in addition to the six days of debate on the Budget, which was also debated in the same period, six days that are not included in the 112 days, and neither am I including 15 or 16 days when the division bells rang in Parliament, when the Progressive Conservatives, in a manner that is totally unacceptable, systematically paralyzed the Parliament of Canada and prevented any debate from taking place.

When I said that 112 days of Government time were used to debate the energy issue during this session, that does not include the 15 or 16 days we heard the division bells, and this means that for all practical purposes, we have once more had almost nine months or a full parliamentary year devoted almost exclusively to energy.

Another vital issue has been the economy. Parliament has considered the subject on many occasions. If I am not mistaken, we have had four budgets, in addition to statements on the economy, and I may remind the House that in the previous budget, we proposed our 6 and 5 policy to fight inflation, which has proved to be a tremendous success. I think it is irresponsible and unrealistic of an Opposition Member to claim that this major anti-inflation policy was put into effect outside Parliament. The policy was debated here in the House of Commons. It was analyzed, amended and debated in the Parliament of Canada, which was asked to consider one of the most pressing issues of the moment, in the middle of a recession: how do we prepare for economic recovery and how do we fight against inflation? This was followed by the budget brought down by the Minister of Finance (Mr. Lalonde), which included $4.8 billion to stimulate the economy and create jobs in this country. People who say that the major economic issues were not debated in Parliament are either half or totally asleep, or they are entirely ignorant of what is going on in Parliament or they are not being sincere, but I hardly think that is the case.

• (1220)

Mr. Speaker, the fact is that as far as the 6 and 5 policy is concerned, we must not forget the time the House of Commons needed to debate this policy so that we could obtain the results we have today, at this very moment, namely, that inflation is now down to 6.6 per cent, from 13 per cent in August 1981. The bank rate, the rate set by the Bank of Canada, is now 9.5 per cent. We all remember that only a year and a half ago, mortgage rates were over 20 per cent. Our 6 and 5 policy has worked, it has benefited the entire country and has produced concrete results. We realize this now. How was this brought about? By the Government, who originated the plan, but also as a result of debate in Parliament. The Parliament of Canada was asked to consider this important question, and in fact did so for a grand total of 72 days, the equivalent of two full semesters of our parliamentary year, or 236 hours and five minutes, when it debated Bill C-131, Bill C-132, Bill C-133, Bill C-139 and Bill C-125, which are directly connected with our 6 and 5 policy and to amendments to update the Income Tax and remove any uncertainty in the business world.

Therefore, if we look at three major issues—the economy, energy and the Constitution—we realize that in the Parliament of Canada, in the House of Commons and in committee, a considerable number of days and hours were spent on debate on these issues, time that could therefore not be used to consider other issues of perhaps lesser importance nationally but nevertheless vital to certain activity sectors in this country. That is why, since we have been considerate and have shown respect for this institution, and since we have allowed debate on major issues despite the Opposition's often provocative attitude, we are asking Opposition Members for their cooperation regarding debate on less controversial measures. Now what happened then? Even before we could implement the parliamentary reform which we managed to get approved by the House because of a committee that worked in good faith and the cooperation of the House as a whole, and in spite of the unacceptable objections of a few senior members of the Progressive Conservative Party, we were able to carry out the present experiment, Mr. Speaker.

However, even before we proposed this parliamentary reform to the House, I had suggested to the Progressive Conservative Party and the New Democratic Party that we have a rational debate on a number of bills. I refer to last fall, to October 1982, when I submitted a list of 16 bills to the two House Leaders of the Opposition, and more particularly to the present Leader of the Progressive Party, the Acting Leader, the Hon. Member for Yukon (Mr. Nielsen). There were 16 bills about which I said: "Listen, the session has been going on for two years, a reform is forthcoming, a committee is working on it; let us show that we want Parliament to work, let us forget the silliness of the bell-ringing incident that you, the Progressive Conservative Party, brought about, let us forget your filibuster during the constitutional debate, and let us try to show the people that parliamentarians on both sides of the

House can agree so that Parliament may work in an efficient, civilized, modern and productive manner."

The Leader of the Progressive Conservative Party never agreed to negotiate any aspect of a single of those 16 bills, neither to draw up our work schedule and to determine the length of the debate nor to decide how much time the various stages of those bills required, quite the opposite! Undoubtedly that was not in keeping with the strategy of the Progressive Conservative Party which had to come to grips with its internal leadership problems and which opted instead for making every attempt to catch the Government off guard in a vote so as to trigger an election before having to decide the fate of their leader in Winnipeg and at the Civic Centre in a few days.

It is unfortunate that the Official Opposition chose to undermine the parliamentary process as a result of its internal squabbles. It is a sad comment, Mr. Speaker, but I think that was the real cause of the shameful incidents we have witnessed. Members of the Progressive Conservative Party have been frustrated, first in December 1979 when they lost power after only 37 days into the session, and ever since in their internal leadership crisis which has dictated their approach, their outlook and their behaviour with respect to the parliamentary system. For the first time in our history, we saw a party resort to such drastic means as the bell ringing incident to prevent rather than promote debate, to undermine the very essence of Parliament, in short, to torpedo Canada's democratic system by putting an end to any constructive debate in the House and systematically preventing this institution from tackling major issues.

I conclude by expressing the hope that after my remarks Hon. Members will keep in mind the fact that we have shown respect for Parliament and that we want to do even better, but that calls for co-operation from both sides of the House and not only from the Government. That cannot be achieved without good will on the part of the Opposition, and we are always prepared to do our best so that Parliament will be ever more efficient, humane, modern and respected by the people.

[*English*]

Mr. Lewis: Mr. Speaker, I would like to ask a question. One wonders, when one hears the Government House Leader, with all of the confidence he has about the many things we are doing wrong, why he does not simply call an election and take the issue to the polls, to the people.

Mr. Pinard: That's exactly the problem.

Mr. Lewis: Why does he not do that right now? I would invite him to do it right now. Mr. Speaker, the Government House Leader has continually referred to what he feels was unanimous support for the rules passed in 1969. I want to draw the Government House Leader's attention to the book by John B. Stewart entitled "The Canadian House of Commons, Procedure and Reform", specifically to page 250. The Government House Leader has continually suggested that these rules were passed unanimously. On page 250, Mr. Stewart makes the following point:

> Six months later, on 20 June 1969, the Standing Committee on Procedure and Organization fulfilled the order of the House by recommending three new standing orders: 75A, 75B, and 75C. These were adopted, without alteration, by the House at the sitting of 24 July 1969, but only after closure had been used to terminate a filibuster by all the opposition parties.

Mr. Pinard: Standing Orders 75A, B and C? You're not talking about the same thing. That is not supply.

Mr. Lewis: I would refer to *Hansard* for July 24, 1969, at page 11619, wherein it is reported there was a vote in which the yeas and nays were recorded. The Government, the majority, steamrollered through the closure and then on July 24, 1969, the rules were finally passed, on closure, on a recorded vote in which the Opposition of the day voted against the rules.

I want to ask one simple question of the Government House Leader. Should we change *Hansard* and the book by John B. Stewart, or should the Government House Leader revise his version of what happened when those rules came in, in order to comply with the truth?

Mr. Smith: You're all mixed up, Doug.

• (1230)

Mr. Pinard: Mr. Speaker, just one point. One simply has to read and understand. The Hon. Member is talking about a vote after closure that took place merely to implement Standing Order 75A, B and C. That is absolutely not what I was talking about and that is absolutely not what his interim leader was talking about in his speech. We were talking about Opposition days, the Business of Supply. That is the reform and those are the rules to which I was referring and to which his leader was referring when I quoted *Hansard* and the *Journals*.

I would seek unanimous consent to table the proper extract from Commons *Debates* and the House of Commons *Journals* that very clearly demonstrate that in fact the Business of Supply, the Opposition days, were adopted unanimously by this House of Commons. I hope this consent will not be denied.

Mr. Deputy Speaker: The President of the Privy Council (Mr. Pinard) asks unanimous consent to table a document. Is there unanimous consent?

Mr. Lewis: Mr. Speaker, I would be glad to give unanimous consent if first I can see the documents ahead of time and, second, if we can also have unanimous consent to table the truth in the matter.

Mr. Deputy Speaker: Is there unanimous consent for the President of the Privy Council to table the document?

Mr. Lewis: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Smith: They do not like the truth.

Mr. Pinard: Mr. Speaker, it is unfortunate that the galleries are empty.

Let me refer to *Hansard* at page 4230 and House of Commons *Journals*, page 554, both dated December 20, 1968. Those records are public. Since the Opposition does not want the truth to be obvious today, let those interested people refer to that.

At the beginning of the Hon. Member's question he remarked that all we have to do is call an election. That is exactly the point I was making in my speech. Since this session began a little more than three years ago, the Opposition has kept exactly that in mind all the time. They were frustrated by their defeat after 37 days in the House and frustrated by the continued division within because of their leadership crisis. All they had in mind was to use Parliament to catch the Government by surprise and force an election.

That is why it is an insult today to see the interim Leader of the Opposition, who himself instigated the undermining of Parliament by ringing the bells for 16 days, come here today with a motion asking that we respect Parliament. The Opposition has been undermining Parliament. They have been stopping Parliament from working exactly for the reason indicated by the Conservative House Leader (Mr. Lewis) at the beginning of his question. He said "Call an election; that will solve the problem". That is wrong. That is bad for democracy and is bad for the proper functioning of Parliament. Under our Constitution, elections are due every four or five years. It was not a means of allowing Parliament to deal with the problems of Canadians.

Despite all this we were more than generous. We consulted Parliament at length on the Constitution. We consulted Parliament at length on energy. We consulted Parliament at length on the economy. The situation is now improving because we had respect for the institution and were able to assume our own responsibilities.

It is a shame that the Opposition today is very hypocritically saying that Parliament has been undermined. They have caused this problem and are responsible for it. Despite their attitudes, we are still making efforts to make this Parliament work and to support parliamentary reform.

[*Translation*]

Mr. Deputy Speaker: Do other Hon. Members want to ask questions?

[*English*]

Hon. James A. McGrath (St. John's East): Mr. Speaker, there can be no doubt that this institution is in trouble. For any further proof of that one has only to listen to the debate today. But while I believe that the institution is in trouble, I also believe that it is the responsibility of all of us in this place to try to do something about it. We have lost confidence as an institution. Parliament has lost the confidence of the Canadian people. It has become irrelevant in the process of Government and has become irrelevant in the process of accountability.

While I do not want to enter into an unduly partisan exchange with the President of the Privy Council (Mr. Pinard), I would ask him when he is making the case that the Government is not trying to undermine Parliament to explain to the House and the country why we never have a statement from a Minister in this House. Why are statements on important national issues no longer made in the House? Ministers now go across the street to the National Press theatre, downstairs to Room 130S or to other cities to have a press conference. They actually leave this place to go elsewhere to make a statement that should have been made to the elected representatives of the people in the House. That is Exhibit A to my argument and upon which I could rest my case.

I strongly believe that if the Government does not show that it has respect for, or confidence in, this institution, then that lack of confidence and respect will permeate throughout the entire land. That is the message which I will leave here. When the public see the Prime Minister (Mr. Trudeau) writing a letter to the *Toronto Star* to give the Government's position on the Cruise missile, they would naturally ask why that statement was not made in the House of Commons since it is in session. The House of Commons is sitting and the elected representatives of the people are there. Its sessions are nationally televised and the national press is here. Why was that statement not made in the House of Commons under the provisions of the Standing Orders which make allowance for that type of situation?

Perhaps the reason we are not receiving statements in the House is that while Standing Order 18(4) permits the Government to make statements on major issues, it also allows Opposition Parties the opportunity to respond briefly and to question the Minister on the particular statement that he has made. I will admit that the latter part of that Standing Order is a new procedure. Previously, a Minister could make a statement in the House which had to be brief or the Speaker would intervene. Each Opposition Party was allowed to make a brief response to the statement. Our new procedure allows for questions, and perhaps therein lies the mistake. If we were to return to the old procedure through which the Prime Minister's or a Minister's statement with replies would last about a half hour, perhaps we would then have more statements in the House. I do not know but I want to give the Government the benefit of the doubt.

I say to the President of the Privy Council, the Government and its supporters that as long as the Prime Minister and Ministers make statements in a place other than here, whether at the National Press theatre, downstairs, outside in the foyer or in other parts of the country, it will, more than anything else, telegraph a message to the country that we are in fact irrelevant to the process.

I remember when the Prime Minister said in this place a few years ago: "You want to keep the House sitting because when you get 50 miles from here you are nobodies". I do not believe the Prime Minister was correct in that statement. The fact of the matter is that we are nobodies here and somebodies when we leave here. This is where we are irrelevant and this is where

we are nobodies. We sit here and have to listen to the Minister of Transport (Mr. Pepin) making a statement on the Crow in Winnipeg while depriving our Members from western Canada of an opportunity to respond to his statement in the House of Commons where they are charged with the responsibility of doing so. We must sit here and watch the Prime Minister take pen in hand and write a letter to the *Toronto Star* to make an important statement on the Cruise.

The point was made that we could use one of our allotted days for a foreign affairs debate. I can merely repeat what the Leader of the Opposition (Mr. Nielsen) said. It used to be a well established convention of the House that there would be an annual debate in the House on external affairs under Government Orders. It was a two-day debate which took place every year without fail. We are now expected to give up one of our Opposition days in order to allow for a debate on foreign affairs which would presumably give the Prime Minister an opportunity—that is the logic in the intervention—which he never had to make his statement on the Cruise. I cannot follow that at all.

• (1240)

The Liberals are saying, why do we not give up one of our Opposition days? Why do we not designate one of our allotted days for a foreign affairs debate? Why should we? Our allotted days were given to us in exchange for giving up Committee of the Whole and allowing the estimates to go out of the House. The Opposition gave up a great deal in giving up supply in the House. The Leader of the Opposition referred to the Liberal Opposition during the days of the Diefenbaker Government. That was a Government with 208 seats with a combined Opposition of 58 Members. If ever there was a Government with a mandate, it was the Diefenbaker Government. But that Government saw the Opposition of the day holding up supply and the estimates of the House for a period of 49 days. Parliament was held up to the point where it was necessary for the Government to go to the Governor General to get a Governor General's writ in order to meet the Public Service payroll and you, Mr. Speaker, remember it very well. It was one of those situations that brought about the reform that we now have whereby estimates are dealt with by committees of the House.

To give up the estimates, we had to be given something in return. What we were given were 24 allotted days. The Government is suggesting that if we want a debate on foreign affairs we use an alloted day. I would expect the Government would want to hear input once a year from the elected representatives of the people on foreign policy as well as allowing the process whereby it would have its own input through foreign policy debate. This should be a matter of Government business. It should be done on the Government's time; it should not be done using the time of the Opposition.

I believe we have to work together if that is possible, and I have grave doubts about that in this Parliament. I believe we have to try to restore this institution to a place where it will once again have some relevancy in the country. I repeat, we have to start somewhere. I suggest as firmly and sincerely as I can to the Government that the place to start is by having the Government come into this place when the need arises to make statements and allow the Opposition Parties the opportunity, as provided for in the rules, to make a response. I firmly believe that if the President of the Privy Council were to come to the Opposition House Leaders of both Parties and tell them that the Prime Minister had an important statement to make that he wanted to make in the House, and that if they would give an undertaking to be brief in their responses and not get carried away with the question period, I am sure there would be agreement. We would want his statement made here in this Chamber where it should be made. But there has to be a start. There is the bottom line, and I hope the Special Committee on Standing Orders and Procedure will deal with it.

One of the changes that should be made, and I say this as an Opposition Member, is to give up the question period on statements and get back to the system whereby statements were brief with no opportunity for questions except for the response of the Opposition Parties. If we get back to that process perhaps then the Government might look upon this place as being more relevant than the National Press theatre across the street or the scrum room downstairs.

I was interested in the remarks of the President of the Privy Council. I believe I did not hear him make any reference to the reform process now under way, although it might have escaped my attention because I had to leave the House for a few moments. Credit has to go to the Government for instigating that reform process in the form of the Special Committee of the House. We know why it started: it was a direct response to the ringing of the bells. But we have to ask ourselves, why did the bells ring? In my view the ringing of the bells was a symptom of the problem, a symptom of the disease that has caught hold of Parliament and is causing it to become irrelevant.

The mistake started in the first instance with the Government bringing forward an omnibus Bill on a major energy policy for this country. It had eight or nine different provisions, many of them unrelated. The Government came into this Chamber with an omnibus Bill, expecting the Opposition to buy it holus-bolus with time allocation. Once the Government did that it seems to me the responsibility was on the Chair and the Table, and I say this with respect, to treat seriously the arguments put forwarded by the Opposition to have that omnibus Bill split. If the decision had been made to split that Bill by the Chair, and there were ample precedents for it, and if the Chair had been given the correct advice—and I say that without any disrespect—then the bells would not have rung and we would not have had the problem.

This was the ultimate example in the practice of using omnibus Bills. I suspect that as a result of the ringing of the bells the Government will think twice before it brings forward another omnibus Bill similar to the national energy policy Bill.

We have a committee on procedure, a great committee. In the few moments I have left I want to speak about that committee. The Parliamentary Secretary to the President of the

Privy Council (Mr. Smith) is a member. I think he will agree with most of the things I am going to say. The Special Committee on Standing Orders and Procedure was struck and had its first meeting on June 22, 1982, just about a year ago. Since that time we have had 62 meetings. We have heard from 42 witnesses. We have travelled to Westminster where we saw firsthand how the mother of Parliament works. It seems to work very efficiently. We travelled to Washington and studied the U.S. committee system. We have heard all the expert witnesses, the so-called expert witnesses and the scholars with respect to Parliament. We have made reports to the House. We are now operating under provisional Standing Orders as a result of our third report.

This, I believe, has brought debate back into the House. Before that debates were becoming structured and stunted. We had procedures which really could not in any way be described as debate. We had set speeches. But now at least there is an element of debate. If a Member speaks for 20 minutes, that Member knows he or she is to be accountable to the House for what has been said. For a period of ten minutes that Member can be cross-examined by the House. Comments can be made on statements in the speech. I think it is a marvellous innovation. If the committee accomplishes nothing else except that, it will have been well worth the exercise. Our innovation has been admired by other Parliaments. I suspect we will see other Parliaments adopting the procedure before too long.

Of course, we are all aware of the change in Parliament's sitting hours. I will not go into that except to suggest to those who are skeptical about giving up evening sittings that they take a look at other Parliaments. The U.S. Congress does not sit at night, for example. I say to the President of the Privy Council that by giving up evening sittings I believe this Chamber has become a little more efficient in terms of debate. I do not believe that evening sittings, quite frankly, were all that productive, not that these morning sittings are more productive. I believe they are.

Mr. Pinard: Yes, they are.

Mr. McGrath: Certainly they could be more productive.

Mr. Pinard: What about Wednesdays?

Mr. McGrath: The President of the Privy Council asks about Wednesdays. We attempted to elevate Private Members' Business in this place to give it some importance in the parliamentary calendar. I believe our work is incomplete in that regard. We have taken three hours, which would normally be from five to six three days a week, and lumped them together on a Wednesday afternoon. I believe we have to go a step further. Private Members' Business has to become more a part of the business of this House, and in so doing there has to be proper planning. There has to be adequate notice given in the House as to which Bills are coming forward. The Government has to be disposed on certain Bills to allow them to come to a vote and not to get into a situation where the order is discharged and the subject matter referred to a committee, but where there can be a vote on a Private Members' Bill and it has some chance of emerging as statute law. That is the next stage in elevating the role of the Private Member in this House.

The third report of the Special Committee on Standing Orders and Procedure is the substantive report, the first two reports being perfunctory. We are now operating under the third report until the end of the year. What about the fourth report? It deals with the Speakership. I believe the House should debate the Speakership, the role of the Speaker and how the House goes about electing a Speaker. I think we can do that without making any inferences or reflecting in any way upon the present distinguished incumbent of the Chair or yourself, Mr. Speaker, as Mr. Deputy Speaker. I do not think you would be sensitive to a debate like that. I do not think Madam Speaker would be sensitive to that kind of debate. For the life of me I do not understand why we have not moved on the fourth report.

• (1250)

More important, what about the fifth report? I believe it to be a very important report because it deals with the new committee structure whereby standing committees are now reduced to a membership of ten. The recommendation of the Special Committee was not less than ten and not more than 15. By the way, no one envisaged that the Government would take the minimum and use it as the norm. That was not the intent at all. As a result of ten-member standing committees, it means that the Official Opposition only has three Members on a particular committee. Under the present system we have to consider the chairman of the committee as being one of the Government supporters on the committee. That is another question which is dealt with in the sixth report.

The fifth report has not been concurred in. It makes provision whereby it would be necessary under the rules for the Clerk to convene a meeting of all standing committees within ten days of Parliament sitting, so that they can get on with electing chairmen, vice-chairmen and get off the ground. That, on the basis of it, may not seem very important but let me give an example of the kind of abuse it was designed to correct.

The Standing Committee on Labour, Manpower and Immigration did not meet this year until April 19. That Committee has the responsibility of dealing with the estimates of the Department of Labour, of the Department of Manpower and Immigration and of the Unemployment Insurance Commission. For one reason or another—and the Government may or may not have good reasons—that Committee was not struck. It did not hold its organizational meeting until April 19, notwithstanding the fact that on May 30 all estimates are deemed to have been reported back to the House. Other committees were well under way by April 19, but that Committee had not even met. That should not be allowed to happen, but it can and will happen again unless the Government acts on the recommendations of the fifth report. We are waiting for the Government to stand and move concurrence or

allow the chairman of the Committee the right to stand and move concurrence in that report.

Now, what about the sixth report? It is critical to the recommendations we have made. What have we done with the committee system? We have gone for the British system of select committees. Our standing committees are now select committees. Under the rules in which the Government has concurred on a provisional basis, these standing committees-cum-select committees now have the annual reports of departments and agencies referred to them so that there is an ongoing order of reference and an ongoing investigative role. As well, they are charged with the responsibility of examining the estimates of departments, the idea being that small committees would develop a degree of expertise in the area with which they are charged and a degree of collegiality which is just as important in my view as expertise. As a result they would be able to give a more meaningful examination of the estimates referred to them.

The next step which the Government has failed to address by dealing with the sixth report is the establishment of ad hoc legislative committees. A very important reform is contained in that recommendation concerning a panel of chairmen. This is something about which we have talked for a long time but have never acted upon. Why cannot the Government act on legislative committees? It would go a long way toward deflecting or reducing our concern as an Opposition Party that somehow we have been had by virtue of the Government holding standing committees down to ten members.

I hope the Government gets on with legislative committees. I believe they are very important. I hope the Government agrees with the Speaker appointing a panel of chairmen to be an impartial presider over committees, just as you are, Mr. Speaker, in the House. I hope it goes one step further and gives us adequate committee rooms with proper decorations and proper furniture so that there will be a proper sense of decorum. I believe we now have the opportunity to complete what the Government initiated in June in terms of parliamentary reform. I hope the Government is not going soft on reform. I hope the Government will see it through, but it must send a signal to the Committee that it will see it through. The signal it can send is by getting on with concurrence in the fourth report, fifth report and sixth report of the Committee.

Mr. Pinard: Mr. Speaker, at the beginning of his speech the Hon. Member for St. John's East (Mr. McGrath) referred to the fact that there were less and less statements by Ministers. That is a reality. Under the Standing Orders we know that a Minister may—he does not have to—make a statement. I understand in not too ancient times but many years ago that perhaps the Standing Order was used more often. I am sure the Hon. Member is honest and will understand that the situation has changed somewhat since we have been dealing with major issues, as I stated in my speech, which required a lot of time and provoked in some instances what I qualified as unjustified resort to tactics such as the bells, fallacious points of order and so on that wasted the time of the House. Thus we have had less time to deal with Government business. In fact that time has been reduced to three days a week with our experiment on parliamentary reform. Wednesdays are not to be used by the Government any more. I am not against Private Members' Business, but it could be dealt with otherwise. Also one day per week must be given to the Opposition, so there are only three days a week available to the Government.

I am sure the Hon. Member understands that is a problem we have to face. When a Minister makes a statement in the House, time is required for an exchange of questions and answers. That is normal. But if we do it on an Opposition day, we hear complaints. If we do it during Private Members' Business, we hear the complaints: "Don't interfere with Private Members' Business"; "Don't interfere with time available for the Opposition"; or "Do this only on Government time". We have no time; that is the real problem we must face.

I welcome suggestions. I am sure the Committee, of which the Hon. Member is a member, will look deeper into this problem. There is a problem with available time because days are short and they are not numerous. This is one of our concerns. If we had more time we would be tempted to make more statements in the House; it would be easier.

It is frustrating when we are trying to introduce legislation and we see an Opposition Party preventing leave to introduce a Bill and having the bells ring for five hours or six hours. This time could have been used efficiently for statements by Ministers. There are Members on both sides of the House who are interested in having Parliament work and would like solutions to the problems.

The Hon. Member attended with me a seminar in Westminster in approximately 1977. He knows very well that if we compare our Parliament with others, including our mother of Parliament in Westminster, London, we have the best Question Period in the world. Of all Parliaments of the world ours is the most lively. Most of the Ministers are here. We do not have pre-notice of questions. We do not have only a third of our Cabinet showing up once every week or so. To replace statements by Ministers in the meantime, at least Hon. Members have an opportunity, if statements are made outside the House, to ask questions of the Ministers who are here every day and are willing to answer without pre-notice. Also the Opposition have 25 Opposition days. All this explains the situation, but I agree with the Hon. Member that we should try to find a solution, not only at the expense of Government time.

Mr. McGrath: Mr. Speaker, I welcome the intervention of the Minister because it gives me an opportunity to make a suggestion. He does not have to await a recommendation from the Special Committee; he can act on this himself. The proceedings of this place are now televised. Why could the Minister or the Prime Minister not make a statement at six o'clock? That is prime time. It would not interfere with the business of the House. Statements could be made at six o'clock and it would go live across the country, at least in the eastern part of the country.

Another option would be that the Government could bring the House back and make tax statements at eight o'clock. In my view it does not have to cut into its time by taking an hour out of Government business at three o'clock, as is the custom. The situation has changed with television in the House. I believe the system could become much more relevant and more meaningful and that this institution would have a role to play. I make that as a suggestion to the Minister.

Mr. Simmons: Mr. Speaker, I rise on debate. May I call it one o'clock?

[*Translation*]

Mr. Deputy Speaker: Order, please. It being one o'clock, I do now leave the chair until 2 p.m.

At 1 p.m. the House took recess

AFTER RECESS

The House resumed à 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

FEDERAL BUSINESS DEVELOPMENT BANK

RELOCATION OF LÉVIS, P.Q. BRANCH

Mr. Gaston Gourde (Lévis): Madam Speaker, Federal Business Development Bank authorities have shown reecently that they have much to learn about consultation in the areas they serve.

For the last several years, a branch of this bank was located in Lévis, in my constituency. Last week, this branch moved to Quebec City without properly informing the public. I was personally informed on June 2 by a senior official in Ottawa that the transfer was effective as of June 1. I find it hard to understand this so-called rationalization effort when the south shore opposite Quebec City is experiencing a major population increase and when several departments are now decentralizing their activities. If public servants now admit that it was a mistake to locate an FBDB branch on the south shore several years ago, they should also recognize that some consultation would have been helped prevent such a mistake.

I therefore ask the Federal Business Development Bank authorities and the minister responsible for this agency to reconsider their position immediately on the FBDB branch in Lévis.

Madam Speaker, I feel that two wrongs don't make a right.

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

SUPPORT FOR GILSON PROPOSALS

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, I am asking Liberal Members to help convince the Cabinet that its decision to reject both the Gilson and the Pepin proposals was terribly unwise and must be changed. If all of the money goes directly to the railways, then the grain producers are locked even more tightly under a large multinational monopoly. The whole collection system will remain locked into the ancient horse-and-wagon mode rather than a modern system which can compete against the United States, Australia, and Argentina. The livestock producers, feeders, and packing plants will be effectively blocked from obtaining access to the vast meat market in the western United States.

The Gilson proposals were a western solution to a western problem, and the Quebec caucus was simply wrong in caving in to the propaganda of the PQ Government and the UPA union. Just as we stand and defend the $2.8 billion of equalization money which flows into Quebec, as well as the separate Quebec Pension Plan, a separate French language TV system, a separate French radio system, and official bilingualism, they must stand and defend the amendment to C-155 which would give western farmers the freedom to choose.

On Friday last in my riding, at a public meeting 230 farmers voted for the choice option versus three who voted for paying 100 per cent to the railways.

* * *

POLITICAL PARTIES

STATEMENT BY PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP CANDIDATE ON BILINGUALISM IN MANITOBA

Mr. Rod Murphy (Churchill): Madam Speaker, the former Leader of the Conservative Party, the Right Hon. Member for Yellowhead (Mr. Clark), has again demonstrated his inability to provide leadership and to combat the right wing reactionaries of his caucus and Party. In the past he has said that he is against capital punishment but would allow it to be reintroduced in Canada. This last week he has refused to endorse the Pawley Government's courageous decision to provide bilingual services in Manitoba. The former Prime Minister is quoted as saying:

> If I had been Premier of Manitoba and faced with this threat of a Supreme Court judgment, I would have waited for it, to indicate to worried citizens that unhappily they didn't have a choice.

This indicates again his willingness to do only what is politically expedient rather than what is right and honourable. For almost 100 years the French-speaking population of Manitoba were deprived illegally of their rights. Steps to redress this wrong should be applauded and encouraged. The former Leader of the Conservative Party should recognize that it is necessary to have courage to be a leader in this nation.

[*Translation*]

AIR SAFETY

TREATMENT OF NON-SMOKING AIR TRAVELLERS

M. Henri Tousignant (Témiscamingue): Madam Speaker, some time ago, I rose in this House to speak publicly about what I consider the ridiculous and unacceptable treatment given to non-smoking air travellers.

I then said that smoke must be more intelligent than man as it must inevitably obey non-smoking signs.

Any air traveller knows how easy it is to throw a cigarette butt inadvertently in the washroom trash can. In fact, this possibility has not yet been totally ruled out in the investigation of last Thursday's tragedy in Cincinnati.

In view of this, it is perhaps time to look straight in the eye those who persist in claiming the right to indulge in their little whims, not to say the right to endanger the life of their fellow travellers.

What is the Canadian Transport Commission waiting for to ban this cannibalistic practice outright or at least to charge $20 extra to those who think nothing of endangering the life of others?

An Hon. Member: Hear, hear!

* * *

[*English*]

ST. LAWRENCE SEAWAY

INTRODUCTION OF FLAT RATE LOCKAGE FEES

Mr. Joe Reid (St. Catharines): Madam Speaker, the shipping industry is in its worst crisis since World War II. What has been one of the most successful transportation industries in Canada, and one of the few industries in which Canadians have been internationally competitive, is now in serious trouble. To make matters even worse, the St. Lawrence Seaway has introduced a flat rate lockage charge, introduced to discourage the use of existing smaller ships on the Seaway. However, neither market conditions nor Government support warrant the carriers getting into a new larger ship construction program. Furthermore, few of the 40 or more community ports around the Great Lakes can handle ships the size contemplated by the Seaway.

As a result, there are fewer transits on the Seaway, resulting in a higher deficit to that agency than need be, and because of this shortsighted policy, port communities are threatened with job lay-offs and plant closures. Studies show the need for both small and intermediate sized ships to ensure the efficient transportation of bulk cargoes. Why, at a time when the sluggish economy of the nation has eliminated the reason for imposing flat rate lockage fees, does the Minister of Transport (Mr. Pepin) not reverse this decision of high tolls and lockage fees, or does he really want to bring the industry to its knees?

S.O. 21

HOUSE OF COMMONS

LEAVE OF ABSENCE URGED FOR POLITICAL PARTY LEADERSHIP CANDIDATES

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, during a leadership convention of any of the federal political parties, a number of the candidates who are Members of Parliament completely withdraw their services from the House of Commons for as long as four months in order to run for the leadership, or else to lobby on behalf of one of the candidates.

In that period their campaign is one of directing their skills and their drive for personal gain and personal promotion. They do not generally participate in the day to day business of the House, nor do they debate the many important issues that must be settled for the good management of the country. Their attention to constituency business is also curtailed. Yet in this interval they draw full pay and allowances as parliamentarians.

I feel that the Standing Committee on Privileges and Elections should consider looking into the possibility of having MPs who are leadership candidates for the various Parties declared to be on leave of absence for the period of their campaigning, and study whether they should be paid on a per diem rate for the occasional days on which they appear in the House or undertake their constituency duties.

* * *

GOVERNMENT ADVERTISING

CONDEMNATION OF COST AND POLICY

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, according to a paper presented to a Learned Societies Conference at the University of British Columbia this week, the Government pays twice as much for the preparation of a public advertisement as does a private advertiser. The paper goes on to observe that this over-payment may in effect be compensation for cheap or even free services rendered to the Liberal Party at election time.

It has long been obvious that the vast majority of Government advertising served no public function other than to emphasize the benevolence of the Government and the governing Party and its omnipresence in our daily lives. It has been a burr under the saddles of all of us who have been concerned about Government waste and needless expense. Now the reason for it, and for the Government's refusal to cut back on it, is revealed. It is a reason that is repugnant to the vast majority of Canadians, to people who believe that morality in Government remains a valid requirement, one that is not overridden by the immediate interests of the Liberal Party. As has happened so frequently in the last three years, the Government stands condemned by its own actions, in the eyes of all of Canada.

S.O. 21

MARITIME FREIGHT RATES ACT

CALL FOR CONTINUANCE

Mr. Les Benjamin (Regina West): Madam Speaker, just as the statutory Crowsnest Pass freight rates are of vital benefit to western Canada, so is the Maritime Freight Rates Act of benefit to Atlantic Canada.

The federal Government would like to change the maritime freight rate subsidies if it succeeds in cancelling the Crow rate. A similar policy to increase Maritime freight rates in the 1920s to commercial levels, cost 20,000 manufacturing jobs in Atlantic Canada. Reducing the subsidies today means that industries in the Atlantic region will move their operations closer to major markets.

• (1410)

Is it fair to change the industrial base and employment opportunities for those who located in Atlantic Canada with the understanding that freight subsidies were permanent? Are we prepared to pay the social and economic costs of increasing unemployment in Atlantic Canada? This nation has an obligation to provide low cost transportation to Atlantic Canada which gave up a prosperous trade with the United States when it entered Confederation.

* * *

LABOUR CONDITIONS

UNEMPLOYMENT IN PRINCE EDWARD ISLAND

Mr. Mel Gass (Malpeque): Madam Speaker, I would like to address the serious unemployment situation which exists in Prince Edward Island. P.E.I. is experiencing an unemployment rate in excess of 11 per cent, according to April statistics.

I have recently received a telegram from the President of the P.E.I. Building Trades Council expressing great concern over the unemployment situation which exists among labourers on the Island. He indicated that it is imperative that proposed construction jobs commence as soon as possible.

Out of a union of 150 labourers on the Island, only 90 are currently employed. There is also a 75 per cent to 90 per cent rate of unemployment existing on the Island for carpenters, electricians, and plumbers. This is a drastic situation, and measures must be taken to help alleviate this serious problem.

The proposed projects for a veterinary college and construction of a new Charlottetown airport terminal must be started as soon as possible. Without a doubt, Islanders must feel some anxiety over the starting of these projects as the Charlottetown airport terminal construction has been delayed since 1974. The Federal-Provincial Planning Committee agreed that a new air terminal building would be constructed in 1974 but nothing has started yet, and it is 1983.

I urge that these projects be started without further delay and that the construction of a veterinary college, for which an agreement was signed over the weekend, begin immediately.

HOUSE OF COMMONS

SERVICE RENDERED BY PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP CANDIDATES

Mr. Jack Shields (Athabasca): Madam Speaker, the Hon. Member for Hamilton West (Mr. Hudecki) chided those Members of the Progressive Conservative Party who are Members of the House of Commons, and who are out seeking the leadership of the Party. I should like to suggest that they are doing a service to their country at the present time by letting their names stand for leadership of the Party. All of us in the House know that the next leader of the Conservative Party will be the Prime Minister of the country.

I should like to suggest also that people from coast to coast in Canada are waiting in anticipation for a certain number of Liberal Members, particularly those on the front bench, to withdraw completely from the House of Commons, and would encourage them to do so.

* * *

POLITICAL PARTIES

MEDICARE—POSITIONS OF PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP CANDIDATES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, to respond to what has just been said, I think it is appropriate to point out that however good it may be that certain Members of the House have let their names stand for the leadership of the Progressive Conservative Party, it would be better for the whole country if they would also stand for something.

In that context I should like to call to the attention of the House and of all Canadians who might be concerned about the future of medicare that we do not know—except for Peter Pocklington who would like to get rid of the whole thing—where the various candidates stand on the future of medicare. Should any of them become Prime Minister of Canada, we do not know if they will stand up to what the Provinces are doing to medicare, or whether they will be patsies for the Provinces that are eroding medicare.

Like many other Canadians I should like to know where the various candidates for the Prime Ministership of Canada stand on important social programs like medicare. So far those who are really against it have not had the guts to come out and say so. No doubt there are many of them, because that is where the Tories really stand on medicare. And if there are any who are for medicare they have not had the guts to say so either, because then there would be visited upon them the retribution of the various right wing elements in the Conservative Party who would like to do away with medicare altogether.

ORAL QUESTION PERIOD

[*English*]

INCOME TAX

AUDITING OF FARMERS' INCOME—INTERPRETATION OF LAW

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, my question is for the Minister of National Revenue. It concerns, once again, the unfair application by Revenue Canada of Section 31 of the Income Tax Act.

The answer to my Order Paper question No. 4,766 reveals that 9,355 Canadian farmers were audited in the 11-month period ending February 28, 1983. Many Members of the House are receiving information on cases that indicate that Revenue Canada is disallowing farm losses and is reassessing four years in back taxes, penalties, and interest. The majority of these farmers use chartered accountants and follow their advice on tax matters.

I should like to ask the Minister why it is that farmers and chartered accountants who, according to Revenue Canada auditors, in past years have obeyed the tax laws implicitly, are now suddenly finding that the interpretation of these laws has been changed by the Government.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member has raised this question before in this House and, if I remember well, at that time I suggested to him that he check the facts. Once more I would urge him to do so, because I know he is not in the habit of checking facts and having his questions based on factual data.

The Department of National Revenue has not changed anything with respect to the interpretation or implementation of the Income Tax Act. However if the Hon. Member will take the time to read carefully the provisions of Section 31 of the Income Tax Act, and especially the criteria for eligibility as a farmer, he will see that there is a certain period of time allowed to taxpayers in order to qualify as farmers, if they own property that may be operated as a farm, and taxpayers are allowed this period of time in order to submit such evidence. Unless this evidence is submitted, we must collect the taxes owed to society by those taxpayers.

[*English*]

Mr. Greenaway: Madam Speaker, the reason for this, as the farmers of Canada will tell the Minister, is that this is nothing but a tax grab by a bankrupt Government. That is what this is all about.

STAND TAKEN BY FARMERS—MINISTER'S POSITION

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, I have a supplementary question. Farmers across the country are presently banding together to fight Revenue Canada over this issue. Over the past weeks I have provided the Minister with 36 typical cases but, as far as I have seen so far, no action has been taken by the Minister on these cases which he asked me for in the House.

Is the Minister of National Revenue not going to get Revenue Canada off the backs of Canadian farmers? Is he simply going to sit and take the responsiblity of Canada's first major tax revolt?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, if I suggested in my previous answer that the Hon. Member was not the most industrious of fact finders, it was because I went to the trouble of making a careful study of each and every case he has submitted to me. It is my view that he is not properly using the term "farmer", because there is no obligation to own property or land that can be farmed in order to qualify as a farmer. But in order to qualify, one must comply with very strict provisions in the Income Tax Act, and this is to prevent a lot of abuse the Hon. Member is perfectly aware of. I would therefore invite him to exercise a little more patience, and I can then show him exactly that in the cases submitted by him, the Act has been implemented in a very fair way as far as the taxpayer is concerned.

[*English*]

Mr. Greenaway: Madam Speaker, we are all aware that there are abuses of Section 31. Be that as it may, there are lots of legitimate farmers being attacked under this unfair and ambiguous Section of the Act.

DISALLOWANCE OF WIVES' LABOUR

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, my final supplementary question is directed to the Minister responsible for the Status of Women. We have heard from farmers across the country that Revenue Canada auditors appear to have a list of arbitrary criteria that they use to classify farms. One such criteria is the number of hours per year spent working on a farm. In recent years many farmers have been forced to work off the farm because of unexpected high costs. Many farm wives have had to take up the slack. Is the Minister responsible for the Status of Women aware that Revenue Canada auditors are rejecting and disallowing the hours of labour of these women? Is this not rank discrimination against women?

Hon. Judy Erola (Minister of State (Mines)): No, Madam Speaker, I am not aware, but it is true that the Government made some changes some time ago to allow the salaries paid to farm wives as a deductible expense. I am concerned that there is some misuse of this, and I would appreciate very much if the Hon. Member would bring the matter to my attention.

• (1420)

LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE

Hon. James A. McGrath (St. John's East): Madam Speaker, I have a related question directed to the Prime Minister in the absence of the Acting Minister of Labour and of the Minister of Transport. Would the Prime Minister tell the House what the Government intends to do about the grain handlers' dispute in Vancouver, which is going from bad to worse and which resulted over the weekend in no grain being moved through the Port of Vancouver? What steps does the Government intend to take to ensure that grain continues to move and that the farmers of western Canada will not be help up to ransom?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I believe the Hon. Member heard the answer from the Minister of Employment and Immigration last week, who was, I believe, answering on behalf of the Minister of Labour, that the Government is monitoring the situation and that we are happy at this time to see the parties themselves engage in an attempt to solve their problems. If it ever should happen that the public weal calls for government intervention, we would then consider intervention.

REQUEST THAT MEDIATOR BE APPOINTED

Hon. James A. McGrath (St. John's East): Madam Speaker, government intervention perhaps can be avoided if the Government will take its responsibility now. I ask the Prime Minister if the Government intends to move in to try to mediate this dispute before it goes from bad to worse. Obviously, the next step will be a work to rule situation by the grain handlers, which will again slow down the movement of grain out of Vancouver. Does the Government intend, at least at this stage, to give consideration to appointing a mediator because, as the Prime Minister knows, the basis of the dispute goes back to the conciliation report on the last work stoppage in Vancouver in 1974?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member heard the Minister answer that it would not be appropriate nor conducive to a settlement at this time to bring in the services of a mediator. However, I repeat, the Government is following the situation.

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CANADIAN SECURITY INTELLIGENCE SERVICE

McDONALD ROYAL COMMISSION RECOMMENDATIONS RESPECTING JUDICIAL WARRANTS

Hon. Edward Broadbent (Oshawa): Madam Speaker, my question is directed to the Solicitor General. The Minister knows that when a state grants to security services new powers of intrusion in the name of protecting freedom, the result is that there actually is less freedom to protect. For this reason Justice McDonald recommended certain crucial safeguards which the Minister has discarded. I would like to ask him about some of these. Why did the Minister discard the requirement that the Security Service would have to meet very specific tests in applying to a judge for permission to do certain acts which otherwise would be quite illegal? And why did the Minister abandon the sensible anti judge shopping clause which Justice McDonald recommended?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, to take the last first; as far as the anti judge shopping clause is concerned by requiring reference to a federal judge, there was already a considerable limitation of the number of judges who could be approached since there are only 16 federal judges and there will only be a small increase in that number in the foreseeable future. My anticipation also is that the Chief Justice of the Federal Court will develop a duty roster type of system so that it will be a matter of a small number of judges available at any particular time. In other words, there is no counterpart in this situation to the situation which exists within the Criminal Code, where I do not believe judge shopping occurs to a degree which amounts to a serious problem but where, nevertheless, structurally there are hundreds and hundreds of judicial officials available who can authorize the issuance of the judicial warrant.

On the question of the balance between the safeguards which are required for the exercise of obtaining a judicial warrant, and the effectiveness of the Service, I will simply say that I recognize very well the need for a balance. However, at the bottom of it Hon. Members of the House must recognize that national security is an intrusion on privacy and on civil liberties. Our goal is to try to develop a system of safeguards and controls which do not exist under present arrangements. We are seeking to create them, which will ensure that the intrusions are the minimum and that the safeguards and controls are adequate to ensure that the service will not unduly violate the privacy and civil liberties ofthe Canadian people.

ACTIVITIES WITHIN CANADA OF FOREIGN SECURITY AGENTS

Hon. Edward Broadbent (Oshawa): Madam Speaker, it was precisely to deal with that important realm of freedom, at the same time as meeting the security requirements, that Justice McDonald laid down very specific tests which security agents should have to meet before they are given such extraordinary powers. It is those specific tests which the Minister has discarded, and he has not told us why.

I would also like to ask him why he provided a clause in the Bill which will permit foreign agents, for example, from the CIA, to act in Canada in a way which, if they acted in terms of Canadian laws which exist now, would be perfectly illegal, but in terms of the new Bill would be quite permissible. Why did he do that? In answering that, would the Minister also acknowledge that this Bill permits security agents in Canada,

in asking for these exceptional powers, to ask them of a judge without even telling the judge all the laws they intend to break?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, on the first point, I believe the Hon. Member is referring to Clause 18, which has been pretty widely misunderstood. I would ask him to read it—

Mr. Broadbent: I have read it.

Mr. Kaplan: —because the purpose of Section 18 is to give authority to the agency, with the approval of a judge, to carry out certain intrusive operations.

Mr. Broadbent: Right. Including activities by foreign agents.

Mr Kaplan: I can assure the Hon. Member that that authority will not be given and cannot, under law, be given to anyone but an employee of the agency. Certainly, it cannot be given to some foreigner and there is no suggestion in the legislation that that power should be given to one.

REQUEST THAT MINISTER WITHDRAW LEGISLATION

Hon. Edward Broadbent (Oshawa): Madam Speaker, the agent applying for the authority has to be a Canadian. The Minister is right in that. However, the Minister also knows that another agent of a foreign country, acting with a Canadian agent, can do acts in this country which now would be illegal. That is the point of the question.

Considering that the Minister himself last week acknowledged that there are serious flaws in the Bill, considering that all of the provincial representatives, equivalent to his office at the provincial level, the Attorneys General of all the Provinces, are opposed to the Bill, and that the professors of law at the universities have spoken out against it, as well as the civil liberties groups, will the Minister admit that he has brought in a seriously flawed piece of legislation, and withdraw it completely?

Some Hon. Members: Hear, hear!

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, one must examine the proposals in this Bill and compare them with present arrangements where there are no legislated safeguards, although there are administrative safeguards. One must recognize that we are proposing to tighten the mandate, to describe it for the first time in the history of our country according to legislation of this Parliament, and to provide for a judicial pre-clearance of warrants, which has no counterpart today.

Any warrants which can be issued are issued by me and I am subject, unfairly I would say, to being guilty of partisanship or interest in the success of operations. In any event, a judicial warrant procedure is provided. And one must consider the creation of the office of Inspector General outside the service, an auditor with full power to review any operation and conduct an audit of it, and one must look at the review committee, where we are proposing to bring in three respected outsiders—not Members of the Government and not former Members of the Government, but outsiders with no vested interest in success—who will be there as a safeguard representing the public interest.

I know there has been some criticisms of the Bill, and some serious criticisms of the Bill, but if one compares the Bill with present arrangements, something which is understandably difficult for Parliament to do, and when one recognizes that national security at the bottom is an intrusion on the privacy and civil liberties of individuals, one which goes on now under present arrangements without these legislative safeguards, I believe the reasonable thing for the Hon. Member and his Party to do is to agree that this issue should be brought before Parliament, that the Bill should have second reading, and go to committee. Let us hear from all these experts who have comments to make to improve it, and comments to make to amplify it. Let us proceed and act as a Parliament to improve the arrangements which, twice in the past, have led to Royal Commissions.

Some Hon. Members: Hear, hear!

PROPOSED REVIEW PROCESS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I wish to ask the Solicitor General a question about the review committee. Would the Solicitor General consider, if necessary, amending this process to make sure that Canadians, who, through honest mistake or human error are singled out by the new Service and suffer damage to their reputations or property, could get more speedy access to relief and that there would be more accountability than presently appears in the Bill?

• (1430)

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, there are specific provisions for review in the Bill, and they have no counterpart now. An individual denied citizenship on security grounds, an individual denied immigration status, an individual denied employment or promotion in the Government on the grounds of national security, will have a right of review if this Bill is passed. Not only that, in response to the Hon. Member's question, there is already a complaints procedure provided in the Bill, which has no counterpart today, where anyone in the country who feels he or she has been victimized by the Security Service has a right to a hearing if that is what the review committee decide, and it is up to them to decide. Such a person will have the opportunity to get the records corrected and have justice done with respect to his or her case.

REDRESS FOR INNOCENT PERSONS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I appreciate the Minister's answer, but I think he will recall, for example, when a member of the Protective Staff some

years ago, one Paul Débien, was wrongly singled out by the RCMP drug squad and he had a very difficult time getting redress. In fact I am not certain if he ever did.

I come back to my first question. Is the Minister prepared to strengthen the process of accountability so that agents who make an error, supposing it is an honest error, will have it duly noted and the people affected will have an apology and some measure of quick redress by the Government, rather than having to go through a lengthy court process with a lot of dissembling as has been the case in the past?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, if it is a complaint affecting national security and this agency, you do not have to go to court, although at present, as the Hon. Member knows, the redress is to the Solicitor General. There is less of the appearance and apparatus review and safeguard in that way than this Bill would propose. I draw the Hon. Member's attention to clause 37 which says that any person may make a complaint to the review committee with respect to anything done by the Service. I would urge the Hon. Member and his party to support this Bill as it is in principle, and take it to committee for a full hearing. The situation he has raised with me I think is covered by the Bill; whether additional machinery could be provided is something I think the committee should examine.

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INCOME TAX

TAXATION OF CONTRIBUTIONS TO PENSION FUNDS

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is addressed to the Minister of Finance who is present but not in his seat. To save the time of the House, may I defer my question until he is in his place?

Mr. Paproski: He is only half present.

Miss Carney: Madam Speaker, many Canadians are facing possible double taxation of their pensions because the amount of pension contributions they are required to pay exceeds the limit they may deduct in calculating their income taxes. That means they are being taxed on both their contributions as well as the benefits when they take them. What steps will the Minister take to rectify this unfair situation?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member knows that at the present time there is a tax exemption for up to $3,500 for contributions to pension funds. There are certain groups, comparatively better off, who obviously have more money to contribute to pension funds than the maximum $3,500. These are subject to taxation, as she knows. I am examining this situation. The limit of $3,500 has not been increased for some time.

I have asked my officials to review this situation and I would intend to publish a working document in the next few months which I would like to see addressed and examined, particularly in the context of the review of pensions that Parliament is proceeding with at the present time, to try to ensure that there is equity in the treatment of all concerned.

Mr. Nielsen: Will there be a photo opportunity?

REQUEST THAT TAX EXEMPTION LIMIT BE RAISED

Miss Pat Carney (Vancouver Centre): Madam Speaker, my supplementary is directed to the same Minister. I would hope he addresses the limits for people who are self employed and whose pension fund is their only source of pension. Would the Minister consider raising the limit on an interim basis until the pension review and reform work have been completed?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): No, Madam Speaker.

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[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

REQUEST THAT SUBJECT MATTER OF PROPOSED LEGISLATION BE STUDIED BY COMMITTEE

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is supplementary to those put to the Solicitor General with respect to the security Bill.

It is interesting, Madam Speaker, that almost each group in the country who has commented on the security Bill has been very much concerned about it and has raised some grave questions about it. The Minister himself has questioned the Bill and some of its provisions by saying that he is open to amendment. Would the Minister not consider it appropriate if, rather than proceeding with the Bill at this time, the subject matter could be sent to a committee of this House to be reviewed over a definite period of time in order that those groups could be heard, Parliament be consulted with respect to the Bill, and time would not be wasted? There are many who do not question the necessity of a Security Service for Canada but do indeed question the methods adopted by the Minister. Would he consider that?

Hon. Bob Kaplan (Solicitor General of Canada): Well, I would like to have some time to consider that and know if that is the position which would commend itself to other Members of the Hon. Member's Party and other Parties on the floor.

Mr. Broadbent: Yes.

Mr. Kaplan: But I must say at the heart of it a Security Service is hundreds and hundreds of men and women who are working in the interests of the national security of the country. I think Royal Commissions have recommended that they and their work, and national security in general, require a much greater degree of direction and control from Parliament than the national security agency has received in the past. I would not want it to be taken, by agreeing to such a proposal, that the Government was not committed in general, and to a rather

large degree in detail, to the proposals I have put forward. I think we owe it to them and to the national security of the country, and to the Canadian people in general, to provide leadership in this area as a Government. That is the reason for this Bill.

I do not agree with most of the criticism I have heard. If a method could be worked out for Members of this House to consider the Bill, it would be something I would like to look into. But I want to make it clear that this is the direction in general terms, and in a considerable amount of detail, that this Government wants to lead the Security Service. I think much of the criticism is totally off base and I would not want any decision to refer the subject matter of the Bill to be taken to indicate that I think this Bill is wrong and that carte blanche is being given, or doors are being opened, or civil rights are being abused by the Bill. In my view the Bill does the opposite. I believe that in fair hearings of the committee that will be seen to be the case.

MINISTERIAL RESPONSIBILITY

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, the whole purpose of such an inquiry would be to examine the very things the Minister asserts, for which there is some support in some parts of the House and no support in other parts of the House. The Minister has indicated his willingness to discuss that possibility and I will arrange to have that discussed with my colleagues.

In the meantime would the Minister consider that very important substance of our parliamentary system which has been eroded, that is the concept of ministerial responsibility? Would he indicate to the House that his mind is not closed with respect to a review of the question of ministerial responsibility for security matters, which strikes to the heart of our parliamentary system and which may very well be important to the acceptance of this legislation generally, and the creation of a Security Service in Canada?

Hon. Bob Kaplan (Solicitor General of Canada): Well, on that subject the Bill has sought to create a balance with, on the one hand, full ministerial accountability for the operation of the Security Service and, for the first time in legislation, a requirement that the Minister be fully informed and ready to respond to Parliament about all of the matters being carried out or not being carried out by the Security Service.

So far as the limitation in Clause 6 is concerned, to which the Hon. Member must be referring, that the Minister should not be enabled to overrule the director with respect to a particular case or report, I think that is a wise safeguard because it assures that the agency will not be used for partisan or improper purposes by the Government and that it will not become the private police force or private agency of the Government. To me, that is an extremely important safeguard in the interests of our democracy. It is also the system that commended itself to Australia, another parliamentary democracy, which has adopted, in virtually the same terms, exactly the proposals which I believe the Hon. Member is condemning. Therefore, one can have a parliamentary democracy which provides that safeguard, but I have certainly heard him and I have heard the other criticism on that subject.

• (1440)

Mr. Pinard: He should read the Bill.

Mr. Kaplan: I think it would be a good issue to explore in committee. I think it is one which ought to be preserved.

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NATIONAL DEFENCE

CANADA-UNITED STATES RADAR TESTING PROJECT

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, my question is directed to the Minister of National Defence who, 13 months ago, in reply to a letter of mine, wrote that the purpose of the joint Canadian-American research project being conducted in the prairie Provinces, ostensibly on radar ground clutter, was to improve the capabilities of civilian and military radar at low levels. On Saturday I learned that that may well have been a sham, and that one of the main purposes of this project is to improve the survivability of U.S. Cruise missiles. Will the Minister tell the House what is the real story? Is this a radar improvement project or is it a Cruise missile development project?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think I did answer the Hon. Member on June 16, 1982, very clearly explaining the purpose of the program. It has nothing to do with the Cruise missile. It is related to the testing of the low level radar. As the Hon. Member knows, when any missiles or any low flying aircraft comes over Canadian airspace it mingles with clutter on the radar screen. What we are trying to do—

Mr. Nielsen: It is happening on the Treasury benches.

Mr. Lamontagne: —by this test program across Canada and the United States is to try to find out how we can eliminate this clutter on our radar so that we can identify these missiles or low flying aircraft, and in so doing identify the low flying object, thereby improving the security of the country.

INQUIRY RESPECTING COMPUTER PROGRAMMING FOR CRUISE MISSILE TESTING

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, for the last number of months in Alberta, where the tests have been going on, experts from the Cruise Missile Technology Group of the Massachusetts Institute of Technology have been going in on a weekly basis to monitor the testing. They are of the opinion that this testing is being done to prepare computer software to help the Cruise missile to fly over terrain in western and central Europe. I would like the Minister to comment on that situation. People who are conducting these tests right now are saying that this is to prepare computer

programs for the Cruise missile. Is the Minister saying that this incorrect?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I said that the object of the testing is to try to find out how we can best detect a low flying object. It could be a missile. It could be any kind of low flying object. It could be an aircraft. It could be something coming from the United States or from Russia or from anywhere else. So, it is just a question of clarifying and improving our means of detecting whatever could come over Canada at a low altitude. It is as simple as that.

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THE ADMINISTRATION

TRIP TO DENVER UNDERTAKEN BY FORMER SECRETARY OF STATE

Mr. Howard Crosby (Halifax West): Madam Speaker, I would like to ask a question of the Prime Minister concerning the travel activity of this Minister of State for International Trade. I am sure, in the light of the controversy which has arisen, that he has taken a look at the guidelines and the records involving that travel. Did the Prime Minister authorize his Minister of State for International Trade, who was then Secretary of State, to travel to Denver, Colorado, on March 4, 1982? I remind him that that was when the House of Commons was awaiting the decision with respect to the bell ringing incident. All Hon. Members, of course, were in Ottawa waiting to vote on a controversial Bill.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I cannot recall having authorized that particular trip at that particular time. However, there is a rule that, when Ministers want to leave the country, they do inform my office. If I see any objection to it, I make it known to them. They are also asked to check with the Department of External Affairs. That is the rule. As to March 4, I see no particular relevancy to the tail end of the question relating to the bell ringing incident. I am not quite sure what the Hon. Member is worried about in that regard.

PURPOSE OF TRIP

Mr. Howard Crosby (Halifax West): Madam Speaker, perhaps I should tell the Prime Minister, in the presence of his Minister of State for International Trade, that—

Mr. Lalonde: You could ask him a question.

Mr. Regan: You don't have the guts to ask me.

Mr. Crosby: —a Halifax newspaper has suggested that the Minister travelled to Denver, Colorado, to attend the World Cup skiing match on March 4, 1982, to see Mr. Podborski win the World Cup. I would like to confirm whether the Prime Minister had given him permission to do that when there was such controversy in Parliament. Was the Minister's presence not so required that he could be in Denver, Colorado, on a flighty activity of that nature?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as to the Minister himself, we remember that he was Minister responsible for sports at that time. I am sure he went in relation to preparation of sports events, notably the Olympics to be held in Alberta. However, as to the relevance of the bell ringing incident, I suppose the Minister made a judgment that most Canadians made, that it was a mindless ringing of bells by an opposition Party which did not know how to make up its mind on anything and was just trying to tear down Parliament. He thought he would be more useful to the country there than in assisting in the destruction of Parliament by the Conservative Party.

Some Hon. Members: Hear, hear!

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CANADIAN SECURITY INTELLIGENCE SERVICE

APPLICATION OF RULE OF LAW

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, my question is directed to the Solicitor General, but I see that he is not here. I will direct my question to the Attorney General in his absence.

Mr. Lalonde: He'll be back. Here he is.

Mr. Kilgour: Maybe they can decide which one of them wants to answer it.

Mr. Cousineau: You decide.

Mr. Kilgour: The Minister will know that most people have criticized his security package on the basis that it allows people to break the law. No one is above the law in our system. Will the Minister tell us what he means by the "rule of law", whether he agrees that it authorizes people to break the law and, if so, what he intends to do about those aspects of the Bill?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, it certainly does not allow people to break the law. It does not increase the authority of the agents in any way, beyond the authority and protection which they now enjoy as members of the RCMP, under the Criminal Code. I have heard all those people who have criticized it. I would ask the Hon. Member to take out the Criminal Code and read Section 25, which now provides for the limited protection that peace and police officers have in the exercise of their duties, and compare it with what I propose in the Bill. The words are not the same. The effect is the same. Members of the new agency will have no more power or authority than they already have in carrying out duties in national security under the Criminal Code.

PROVISIONS STIPULATED IN LEGISLATION

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, as the Minister will know, all of the Attorneys-General of the Provinces have said that the Bill gives the SS carte blanche to break any law completely free from any independent, publicly accountable scrutiny or review. I take it that he disagrees with that. Will he tell us whether Clause 21 does not authorize law breaking? Would he also tell us in passing how, under his Bill, the Hugh Hambleton affair would have been handled any differently than it was at the time without the Bill?

Hon. Bob Kaplan (Solicitor General of Canada): Again, it is a reiteration of the first question. It does not authorize law-breaking. They have no immunity at all. There are some democratic countries where the security service in those countries is not subject to the rule of law and where they have immunity in court. We rejected that because we feel that, in a democratic society like Canada, those powers would be widely excessive. Therefore, we have confined them and have proposed that they be confined to exactly the same limited protection under the new Bill as they enjoy under the Criminal Code.

Another part of the Hon. Member's question concerned the Hugh Hambleton case, a case in which the relevance of the Official Secrets Act was being considered. The Official Secrets Act has not been changed by the Bill. It is a measure being reviewed by my colleague, the Minister of Justice and, in due course, amendments to that legislation will be brought forward.

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HOUSE OF COMMONS

CANADIAN BILL OF RIGHTS—ABSENCE FROM DISPLAY WITHIN PARLIAMENT BUILDINGS

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I would like to ask a question of the Prime Minister as to why the Diefenbaker Bill of Rights which, since 1967, has been on constant display in one form or another to the public of Canada in the Parliament Buildings of Canada, is no longer on display in the Library of Parliament for the people of Canada.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I know of no action taken with regard to the Diefenbaker Bill of Rights. I have often referred to it as being the guarantee of property rights which I would like to see in the Canadian Constitution.

Some Hon. Members: Oh, oh!

Mr. Trudeau: The Party opposite is not prepared to co-operate in that regard. However, as far as the Bill is concerned, as far as it goes, it is a good Bill of Rights.

REQUEST THAT BILL OF RIGHTS BE DISPLAYED

Mr. Bill McKnight (Kindersley-Lloydminster): May I ask the Prime Minister, Madam Speaker, when the Bill will again be displayed to the public of Canada along with the Union Act, the Quebec Act, the Constitution Act of 1982, and the Flag Proclamation, which are now presently displayed? This is still a statute of Canada, and a very historic one.

• (1450)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, all statutes of Canada are not displayed, that I know of, in Parliament, except in the volumes that contain the statutes. I think that Mr. Diefenbaker himself very properly regretted that the climate in Canada at that time was such that his Bill of Rights could not be constitutionalized. I remember very clearly that he expressed those regrets in hearings before the House of Commons and the committee.

It is not a constitutional Bill of Rights. Perhaps that is the reason why it is not displayed with the other constitutional bills. I can assure the Hon. Member that I have no authority to decide whether or not the Bill shall be displayed in Parliament. That is not a matter for the Government, and the Hon. Member knows that.

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AGRICULTURE

PROPOSED RED MEAT STABILIZATION PROGRAM

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, my question is directed to the Minister of Agriculture who has been promising to reach a solution to what he calls provincial top loading before he will implement any red meat stabilization program. Can the Minister tell us why he is so insistent upon doing away with the provincial power to top load before he will agree to any stabilization program for red meats?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Hon. Member knows as well as I, if he reads the record, that at one time all of the provincial Ministers said that they did not want any top loading.

At the present time the Canadian Cattlemen's Association does not want any top loading, as is the case with several other farm organizations. Some have some reservations. It causes inequity, inequality and economic disparity that one can hardly describe in the House in the short time one is given to answer a question. I would say that the Hon. Member himself knows what economic disparity it causes. For instance, the Province of Alberta could have one of the richest top loading programs, the Province of Saskatchewan probably second, and some could not afford any.

Mr. Althouse: I was pleased to hear the Minister outline his philosophical reasons for his commitment to attempt to wipe out top loading.

Oral Questions

FREIGHT RATE SUBSIDY

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, with that commitment, why does the Minister support the current Crow rate changes in light of the fact that the proposals do nothing about the current top loading that exists of some $40 per tonne plus an additional $8 per tonne leased railway car subsidy which the Province of Alberta is paying to the rapeseed and canola crushing industry in that Province, which has virtually shut down crushing in Saskatchewan and Manitoba? Why is top loading so unacceptable to red meats but not in the oil seed crushing industry?

Hon. E. F. Whelan (Minister of Agriculture): That is strictly a provincial program that I have very little to do with, Madam Speaker. If I were having a program for all of western Canada for canola production, I certainly would not condone that kind of action. It appears to me that Alberta wants to take over the canola industry. It can do it by financing it in the way it is doing it now.

AUDITING OF FARMERS' INCOME—MINISTER'S POSITION

Mr. Jack Shields (Athabasca): Madam Speaker, my question is directed to the Minister of Agriculture. I am sure the Minister realizes by now that the Department of National Revenue is targeting farmers for audit this year in order to determine whether they are full time, part time, or hobby farmers. This is at a time when the income of farmers is at an all time low and their expenses are at an all time high.

Has he made representations to the Department of National Revenue on behalf of the farmers who have to go out to work and who are now being downgraded from fulltime to parttime, and indeed as hobby farmers in some cases, because they have to take another job to survive in the farming community at this time?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Hon. Member knows as well as I that farmers are very ambitious people. If they can do two jobs they will do it. In my constituency, 80 per cent of my farmers have other occupations besides farming. They have fulltime jobs, they are academics, they are professional or semi professional people, factory workers, and others.

I am as concerned as anyone in the House about the rules and laws by which we have to abide. The rules and laws concerning taxation come under the Minister of National Revenue. Some of those Members make out like they are saints looking after the people of Canada. Some of them have done no more than to make a lot of noise about it when their own provincial Governments have taxing systems that are just about as unfair.

Mr. Shields: None of us on this side of the House are making us out to be the saints or upholders of farmers. We are the upholders of fair play.

REQUEST THAT MINISTER MAKE REPRESENTATIONS ON ISSUE

Mr. Jack Shields (Athabasca): Madam Speaker, I would suggest to the Minister that farmers are now being audited and agriculture is an industry that has been targeted by the Department of National Revenue. They are being audited because some of them have had to take jobs off the farm just to survive on the farm. It is the responsibility of the Minister of Agriculture to help the farmer, and surely he must recognize that. Will he take his responsibility and make representations to the Department of National Revenue to cease and desist, and end this horrible situation that exists in the farming community because of the Department of National Revenue's action?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Hon. Member knows that I am as law abiding a citizen as he is. The laws are such. For him to try to say that the farming population is being singled out any more than any other business operation in this country, is just not so. Audits took place with the fishermen and they are going on with the fishermen at the present time, as well as with farmers and other small business people in Canada.

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FINANCE

SAINT JOHN HARBOUR BRIDGE DEBT

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, my question is directed to the Minister of Finance. I gave the Minister notice of this question some weeks ago. He will recall that the Auditor General recommended in 1976 that the Saint John Harbour bridge debt be forgiven and the bridge be turned over to the provincial authority which is now willing to accept it. It has imparted that information to the Department of Finance in successive years. Is the Minister now prepared to take a decision that is positive to the Province and forgive that debt on the Saint John Harbour bridge?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, that matter is under review.

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[*English*]

PARLIAMENT

SENATE REFORM—PRIME MINISTER'S POSITION

Mr. Girve Fretz (Erie): Madam Speaker, my question is for the Right Hon. Prime Minister. He has been musing about making the Senate an elected body. Does he have other electoral reforms in mind before the next general election?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the matter of Senate reform is before a joint committee of both the House and the Senate. It is following its course there. I attach a great deal of importance to that committee

work. One of the possibilities for a reformed Senate would be to have them elected, directly or indirectly. There are various ways in which the Senate can be reformed. The Hon. Member has mentioned one which I certainly would want to see considered. But it is not a decision or matter of policy by the Government that that should happen. The policy now is that the committee should look at every possible reform, and report to both Houses.

EXAMINATION OF ELECTORAL SYSTEM—THRONE SPEECH DECLARATION

Mr. Girve Fretz (Erie): Madam Speaker, my supplementary question is directed to the Right Hon. Prime Minister. In the Throne Speech of April, 1980, the Prime Minister said that he was going to:

—appoint a committee of Parliament to examine the electoral system in order to ensure that the highest degree of representativeness and responsibility is achieved and that the confidence of Canadians in Parliamentary institutions is strengthened.

Does the Prime Minister have in mind the appointment of such a committee in the next session, and does he have in mind general elections by proportional representation?

Right Hon. P. E. Trudeau (Prime Minister): No, Madam Speaker, that provision has now been met, at least in part, by the setting up of the joint committee of the House and the Senate to look into the matter of Senate reform.

The Minister of Justice informs me that a green paper which we have been preparing will be put before that committee to indicate the various options for Senate reform. As far as reform of the House of Commons is concerned, apart from the electoral reform bill which has already been dealt with, there are no plans that this Government intends to proceed with at the present time.

• (1500)

The Hon. Member will recall, however, in days following the 1980 election that there had been a discussion between the then Leader of the Conservative Party, the Leader of the New Democratic Party, and myself, as to the possibility of seeing some elements of proportional representation introduced for a limited number of Members to be added to the present number at the beginning of this Parliament. That was not done because there was no agreement between the three leaders as to how it should be proceeded with. As far as I am concerned and, as far as I know, that matter is no longer current with this Party.

* * *

[*Translation*]

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Friday, June 3, 1983, meet the requirements of the Standing Orders as to form.

[*English*]

POINTS OF ORDER

MR. BLENKARN—VOTES IN MAIN ESTIMATES ALLEGED IRREGULAR—RULING BY MADAM SPEAKER

Madam Speaker: The Chair is prepared to rule on the point of order raised by the Hon. Member for Mississauga South (Mr. Blenkarn) on Wednesday, April 27, 1983, concerning the procedural acceptability of two Votes and one statutory item in the Main Estimates for the fiscal year ending March 31, 1984.

At the outset, I would like to observe that, although this matter was raised by the Hon. Member some weeks ago, I was unable to respond until now because at that time the Main Estimates were referred to the various committees and were therefore not before the House. As a matter of courtesy, however, and remembering that in the past I have suggested that Hon. Members would be helpful by raising points of order on the estimates in sufficient time to allow adequate study, I did not interrupt the Hon. Member. I thank him for having presented his point at that time. The estimates have now been reported or are deemed to be reported in accordance with our Standing Orders and, therefore, I am in a better position and I think I should rule on this particular point now.

The first two objections raised by the Hon. Member relate to the Export Development Corporation and appear under External Affairs in the Blue Book of estimates. They are Vote 40—Payment to the Export Development Corporation for operating losses in the amount of $35 million and a statutory non-budgetary item of $164 million for the purchase of shares and provision of loans and guarantees and export credit and foreign investment insurance.

The Hon. Member argued that, because the Export Development Corporation's financial statement for the year ended December 31, 1982, indicates that there are no losses, Vote 40 should be deleted from the estimates. If Hon. Members examine last year's estimates as approved by the House in the Appropriation Act No. 2, 1982-83, Chapter No. 103 of the current session's statutes, they will see, in Vote 65 under Industry, Trade and Commerce, that an amount of $58 million was voted as payment to the Export Development Corporation for operating losses. The same description is used for this year's Vote 40.

Hon. Members will understand and rightfully agree that the Chair cannot be asked to and will not elaborate on the matter of the Corporation's losses or on the propriety to ask Parliament for money to cover unexpected losses or even on the utilization or non-utilization of that money once granted. All this is irrelevant to the function of the Chair which is to determine that the correct procedure is followed in dealing with the estimates. I see no flaw with Vote 40 and must rule that it is properly before the House. The objection raised by

the Hon. Member for Mississauga South is strictly a matter of debate which ought to be discussed during the regular time allotted to the consideration of supply.

In so far as the statutory item is concerned, the authority to spend is provided by the Export Development Act which gives the Minister and the Governor in Council the power to act. Again, the Chair cannot be asked to give an opinion on the legality of the Government's request through a statutory item in the estimates. As explained in Citation 484 of Beauchesne's Fifth Edition, and I quote:

> The purpose of the Estimates is to present to Parliament the budgetary and non-budgetary expenditure proposals of the Government for the next fiscal year. These Estimates include Votes, which Parliament is asked to approve through Appropriation Acts, as well as other items called statutory items, for which the required expenditures have already been approved through existing legislation and are included only for information purposes.

Therefore, I cannot agree with the Hon. Member's request that this statutory item be treated as a budgetary matter in order for the House to express its opinion as to whether the amount should be granted. Citation 498 of Beauchesne's Fifth Edition is quite clear on this subject. It reads:

> Statutory items which are included in the Estimates for informational purpose may be amended only by the introduction of amending legislation.

The third objection raised by the Hon. Member for Mississauga South concerns Vote 25 which appears under Industry, Trade and Commerce in the Main Estimates. It is a request for an amount of $185 million for payments under the Small Business Investment Grants Act. The Hon. Member asked that Vote 25 be ruled out of order on the grounds that the Act expired as of April 1, 1983.

In examining the Act, which was passed by this Parliament as Bill C-136 and is now Chapter 147 of the Statutes of Canada 1980-81-82-83, I find that this date of April 1, 1983 is mentioned only in Section 3(3), which indicates that the Minister may make grants only for investment debt obligations incurred prior to April 1, 1983. There is no indication as to the expiry date.

I cannot agree therefore with the Hon. Member and must rule that Vote 25 is also properly before the House.

MR. KRISTIANSEN—ALLEGED UNPARLIAMENTARY LANGUAGE OF MR. NIELSEN

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, I rise on a point of order. You are undoubtedly aware that Beauchesne's Fifth Edition at page 104, Citation 320(1)(y), reads:

> 320. (1) It has been ruled unparliamentary to refer to a Member as:
>
> (y) attempting to distort the facts as he had in the past—

I would ask you, Madam Speaker, to screen the blues of today's *Hansard* because in an answer to a question of mine at approximately 11.30 a.m. on the matter of Cruise missile testing and the two-track system, the Leader of the Opposition (Mr. Nielsen) said something akin to the following, that "since coming to this House the Hon. Member for Kootenay West has been prone to twisting, distorting and changing colours on any matter". Further, he said that my opinion "should not be accepted on any matter" and that all I do is "twist, ride and distort" on every issue.

I would simply ask you to review the blues, Madam Speaker. This attack on my character and reputation, which used designated unparliamentary words, in my view demands either a retraction, a withdrawal by the Leader of the Opposition, or a temporary eviction from the House.

Madam Speaker: The Hon. Member mentions that this happened in this morning's sitting. I would remind Hon. Members with regard to unparliamentary language that two conditions have to be met; that is to say, that the language is unparliamentary, and that it creates some kind of disturbance in the House. Certainly the most important point is that these questions must be dealt with as they occur. I do not know whether the Hon. Member raised his point of order this morning but I will certainly look at the blues and try to determine whether there has been any use of unparliamentary language. I will check the language against the list.

I must say that the list is a bit contradictory and again I would ask Hon. Members to refrain from using language which might be offensive. I understand in the course of debate that one sometimes goes beyond one's thoughts, but a bit of discipline from all Members is certainly a good thing to try to achieve.

Hon. Erik Nielsen (Yukon): Madam Speaker—

Madam Speaker: If the Leader of the Opposition wants to speak on this point, I must say that I will look at the blues. I do not think it is necessary to have a discussion.

Mr. Nielsen: I am sure you will insist upon hearing me, Madam Speaker, particularly when I rise to assist the Chair—

Some Hon. Members: Oh, oh!

Mr. Nielsen: —and to say that while I did not hear in its entirety the submission of the Hon. Member who complains, what I did hear was uniquely accurate.

Some Hon. Members: Oh, oh!

Mr. Kristiansen: Madam Speaker, I rise on the point of order, not to the substance of the words used but to the matter of disturbance.

Madam Speaker: Order, please.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

RETENTION OF CROWSNEST PASS RATES

Mr. Les Benjamin (Regina West): Madam Speaker, I have the honour and the duty to present a petition to the Hon. Members of the House of Commons in Parliament assembled. This petition is signed by 37 residents of Canada from Dauphin, Manitoba, Gilbert Plains, Swan River and Valley River, 32 of whom are members of the Manitoba Wheat Pool. They say that farmers paid $131 million to move export grain under the Crow freight rate in the 1981-82 crop year and that this grain in turn contributed $6.3 billion to the balance of trade for Canada. The undersigned believe this is the farmers' fair contribution to the Canadian economy and that western farmers should pay one times the Crow.

• (1510)

Wherefore the undersigned, your petitioners, members of the Manitoba Pool Elevators, humbly pray and call upon Parliament to maintain the presence of the statutory grain rate. And as in duty bound your petitioners will ever pray.

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, I have a petition signed by some 33 residents of the Hepburn area of Saskatchewan, 30 of whom are members of the Saskatchewan Wheat Pool. They are petitioning the House of Commons in the Parliament of Canada assembled and are exercising their right to present a grievance. They humbly sheweth that western Canadian farmers paid $131 million to move export grain under the Crow freight rate in the 1981-82 crop year, and that this grain in turn contributed $6.3 billion to the balance of trade.

The undersigned believe that the farmers' fair contribution to the Canadian economy should be one times the Crow rate and humbly pray and call upon Parliament to maintain the present statutory grain rate.

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, it is my honour and duty to present to the House of Commons in Parliament assembled a petition signed by a number of the members of the Saskatchewan Wheat Pool who are farmers in the Asquith, Saskatoon and Hepburn areas of the Province of Saskatchewan.

These petitioners want to put before Parliament their wish to maintain the present statutory Crow rate.

Mr. Les Benjamin (Regina West): Madam Speaker, I happen to have another petition signed by some 37 residents of the Province of Manitoba, at least 18 of whom are members of the Manitoba Pool Elevators. They humbly petition the House to maintain the statutory grain rate and say that they are willing to pay one times Crow.

Wherefore the undersigned, your petitioners humbly pray and call upon Parliament to maintain the present statutory grain rate. And as in duty bound your petitioners will ever and forever pray.

Madam Speaker: I would have hoped that they would all pray at the same time.

Some Hon. Members: Hear, hear!

Madam Speaker: Since the two petitions were exactly the same, they could have been presented at the same time to save the time of the House. Hon. Members know that the time of the House is really precious and that the time in which to present petitions is normally quite limited in our procedures. Of course they are allowed, but there is another method by which to present petitions, and that is to file them. In cases where they are exactly similar, I think the Hon. Member could have mentioned them both at the same time.

Mr. Benjamin: Madam Speaker, I rise on a point of order. What do Hon. Members of Parliament do when they receive separate, individual petitions signed by Canadian citizens and Canadian residents in hundreds of locations in Canada which arrive on different dates?

Madam Speaker: Order. Hon. Members may present those petitions, but there is nothing against presenting them together or even filing them with the Clerk. There has been no denial of that liberty on the part of Hon. Members, just a little admonition to try to save some of the time of the House; but obviously we are not saving much.

* * *

SENIOR CITIZENS ADVISORY ASSEMBLY ACT

MEASURE TO ESTABLISH

Mr. Dan McKenzie (Winnipeg-Assiniboine) moved for leave to introduce Bill C-686, an Act to constitute a senior citizens advisory assembly.

Some Hon. Members: Explain.

Mr. McKenzie: Madam Speaker, I am sure the Hon. Member for Victoria (Mr. McKinnon) is indeed pleased to second this Bill. It would establish a senior citizens' advisory assembly to assist the federal Government in developing policies and providing services for Canada's ever-increasing numbers in this segment of the population.

As the number of senior citizens is increasing at a rate of 3 per cent per year, so are their problems. This Bill would allow senior citizens' groups to meet once a year in this Chamber to discuss collectively their problems, make recommendations and present proposals to the Government. This senior citizens' parliament has been in effect in a number of American states and has proven very successful.

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

Order Paper Questions

[*Translation*]

THE CANADA STUDENT LOANS ACT (NO. 2)

MEASURE TO AMEND

Hon. Serge Joyal (Secretary of State) moved for leave to introduce Bill C-161, to amend the Canada Students Loans Act (No. 2).

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

* * *

[*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 question will be answered today: No. 4,106.

[*Text*]

LANDINGS AT AIRPORTS FROM U.S.S.R.

Question No. 4,106—**Mr. Wenman:**

1. In (a) January (b) February, 1982, how many landings categorized by passenger and transport aircraft were recorded at (i) Gander Airport (ii) Mirabel Airport (iii) other Canadian airstrips for flights originating from the U.S.S.R.?

2. What was the destination of each flight?

3. What was the nature of the cargo contained in the (a) passenger (b) transport flights?

4. Were any on-board inspections made of the cargo contained in any of the flights and, if so, in each case (a) did the cargo manifest match the actual cargo on board (b) were any military supplies including arms, ammunition, explosives, uniforms, or parts for military vehicles or equipment included on any cargo manifests or discovered by any on-board inspections (c) what was the destination of any aircraft that had military equipment for cargo (d) did the aircraft reach its targeted destination?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of External Affairs, National Revenue and Transport as follows:

1. (i) Gander	(ii) Mirabel	(iii) Others
(a) None	(a) 8-passenger	None
(b) 1-passenger 1-cargo 1-ferry flight	(b) 4-passenger	

2. Gander	Mirabel
Passenger — To Montreal/Mirabel	Mirabel for all flights
Cargo — To Moscow	
Ferry flight — To Moscow	

3. Gander	Mirabel
Passenger — refueling stop only — general cargo	General cargo
Cargo — flight arrived empty for purpose of transporting remains of Soviet victims of the sinking of the soviet merchant vessel *Mekhanik Tarasov* to the U.S.S.R. for burial.	
Ferry Flight — disabled Aeroflot aircraft en route to Moscow. No passenger or cargo on board.	

4. No.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if question No. 2,720 could be made an order for return, this return would be tabled immediately.

[*Translation*]

Madam Speaker: The question enumerated by the Parliamentary Secretary has been answered. Shall question No. 2,720 be made an order for return?

Some Hon. Members: Agreed.

[*Text*]

NUMBER OF PERSONS ENGAGED IN PUBLIC RELATIONS IN GOVERNMENT

Question No. 2,720—**Mr. Beatty:**

1. Since March 1, 1980, when the Prime Minister came to office, how many persons were engaged in public relations on behalf of the Government for each (a) Department (b) Agency (c) Board (d) Crown corporation and, in each case, what was the cost?

2. For the same period, what amount was spent on advertising on other information programs not covered in Part 1 and what were the component parts of the costs?

Return tabled.

[*English*]

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

[*Translation*]

Madam Speaker: Shall the remaining questions stand?

Some Hon. Members: Stand.

[*English*]

Mr. Oberle: Madam Speaker, I have a question for the Parliamentary Secretary which relates to numerous questions on the Order Paper dating back to 1980 and 1981 in the name of the late Hon. Member for Leeds-Grenville. At that time two-thirds of the questions on the Order Paper were in the name of the late Mr. Cossitt. Is it the intention of the Government to answer any of those questions? If so, to whom will the answers be given?

Mr. Smith: Madam Speaker, since the passing of the Hon. Member, the Government has answered questions on the Order Paper standing in his name. We will continue to do that. We fully respect the fact that those questions were asked during the course of this session, and throughout the balance of this session, as answers are provided by the various Ministers, they will be tabled in the House.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—PARLIAMENT

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

That this House condemns the Government for its deliberate and persistent undermining of the parliamentary process, for its flouting of parliamentary traditions and for its continuing attempts to reduce Parliament and parliamentary government to an irrelevant appendix in the formulation and application of major national policy decisions and the expenditure of public funds, and demands that the Government immediately reverse its attitude of regarding Parliament as the private preserve of the Liberal Party thus hastening the restoration of respect for and the dignity of this institution.

Mr. Roger Simmons (Burin-St. George's): Mr. Speaker, it was the Hon. Leader of the Opposition (Mr. Nielsen) who earlier today set down this motion. I, as others in the House, listened with great interest to his speech this morning, in the fond hope that somehow we would hear from him why he had chosen so scandalously to waste the time of the House with this absolutely silly and frivolous motion.

• (1520)

He did not do that, but he did achieve a record of sorts. He managed to deliver the worst speech ever delivered by any Opposition Leader in this House or in any legislature anywhere. What a hypocritical pack of nonsense we heard from the Hon. Member for Yukon this morning. I say to him: "Get yourself a new ghost writer; the present one has failed you miserably". What a terrible excuse for a speech we heard this morning. Surely he, with all of his years in this House, could have done a lot better than that.

On a more compassionate note, it is surely a sad spectacle to sit here and watch the Leader of the Opposition in his present frame of mind. John Donne, I think it was, said that no man is an island. It is true that the Hon. Member for Yukon and I sit in different caucuses, support different Parties and for the most part hold widely divergent views on many issues, but it is nevertheless painful to sit here and watch his virtual demise. Despite our adversary relationship, I find no particular joy in his ever lessening grip on reality. It is not a pleasant matter to watch a fellow human being struggling to adjust to what must be a diminished use of his God-given faculties.

Mr. McKinnon: You ought to pass out bags for this, the airlines do.

Mr. Simmons: In that context, it is difficult to muster the bile, the hate, the scorn, to match what the Leader of the Opposition metes out every time he opens his mouth, as he did this morning with such consistency. Indeed, I feel no particular desire to try and match his bile or hate. We on this side do not reciprocate with hate. We are too preoccupied with pity for that gentleman, pity for his one-track mind, pity for his lifelong obsession with revenge, pity for one of God's own creatures, a man who in earlier times had made such a significant contribution to this country, a man who in more recent times has allowed his talent to become the servant of his temper, a man who has allowed his benevolence as a human being to play second fiddle to his bile.

I feel no particular desire to attack the Leader of the Opposition. I do want to attack some of his ideas, and I shall. In the debate this morning, the outgoing Leader of the Opposition, the temporary Leader of the Opposition, the soon-to-be decapitated Leader of the Opposition, talked about running everything from the Prime Minister's office. I say to him and his Party that they should know.

I suggest that they get out the estimates, that they look at the actual expenditures for 1979, 1980, 1981 and 1982. They will find, as I found and pointed out in the Miscellaneous Estimates a few weeks ago, in the presence of some Opposition Members, that it was during the period of the short-lived Clark Government that the numbers in the Prime Minister's office escalated and the expenditures for the Prime Minister's office escalated. It was after that period when the present administration took over in February or March, 1980 that the numbers came down in both respects. The number of people employed in the PMO came down and the expenditure on that Department of Government came down. The Leader of the Opposition will well know what he is talking about when he says there has been an effort to run things from the PMO because he was part of that effort during the days of the short-lived Tory administration.

He also talked rather fervently about Parliament being shunted to the sidelines. I say to him, not quite. I recognize, as he does, that there has been quite an effort to shunt it to the sidelines. I recognize that it is he and his co-artists who have been trying to do that shunting. Yes, there has been quite a manipulation. They have done everything in the book, and some things not permitted by the book, to shunt Parliament to the sidelines to the extent that this Government has been obliged to find other mechanisms to get its messages across, to tell the people of Canada what it is doing as the Government and answering to the people of Canada.

It is true the Government has had to go across the road to the Press Club theatre or downstairs to the scrum room. We have had to go across the country calling press conferences, doing things that normally should have been done in this House. We recognize that. We also recognize the realities in this House, some very unpleasant realities because of the effort

of the gentleman from Yukon to shunt Parliament aside, to use his own words.

If ever there was an example anywhere in the free world of parliamentary terrorism, this is it. What we have seen under the guise of fighting for people's rights under the leadership of the gentleman from Yukon has been nothing short of parliamentary terrorism. The people elected us to come here, not because they want to see institutions destroyed, including this institution. They elected us to come here to operate within the rule of law, to see to the proper functioning of the nation's institutions. I find it difficult to see how Members of the Official Opposition can take much credit for aiming at that kind of functioning and facilitating it.

The Leader of the Opposition *pro tem* talked about the occasion on which the Government thwarted the parliamentary process. Then he fumbled around for examples. It is significant that he did not cite one example. In fairness, he did cite one: he did go back to 1963 and tried to justify the Tory action which he condemns in the Liberals. He said that the big bad Liberals of 1963 forced the then Prime Minister, Mr. Diefenbaker, to use Governor General's warrants. Put that side by side with what they say when we use Governor General's warrants. That is the only half example we heard from that member all morning.

He spoke of undermining the parliamentary process. I say to him and his colleagues that Governments which propose policies and responsible Members who debate and vote on them are not the people who are undermining the institution of Parliament. It is people like him who obstruct, obscure, mislead, hurl insults and contempt at the Chair, the symbol of respect in this House. We have seen him do that. He is the person who undermines the parliamentary process.

Mr. Munro (Esquimalt-Saanich): No, he is not.

Mr. Simmons: It is people like him and the Hon. Member for Esquimalt-Saanich (Mr. Munro) who in the absence of ideas substitute hoots and disorder, act like infants and try to shout down Members, as he is doing now, who have something worth while to say.

Mr. Cooper: Then let's hear it.

Mr. Simmons: I say to the Hon. Member for Peace River (Mr. Cooper) that they are the people who undermine the system. He is the person who undermines the system. These people waste the taxpayers' money through mindless delay. They are the people who undermine the parliamentary process. Idiots who ring bells unnecessarily are the people who undermine the system. If anybody here is trying to make this institution irrelevant, it is the Hon. Member for Yukon and his Party.

Many taxpayers were not amused when their refunds were delayed this year. Why were they delayed? It was because an irresponsible Opposition filibustered the fund raising legislation mindlessly, without purpose. The five major budget Bills from 1982 took no fewer than 72 days, 53 in this House and 19 in committee, over 236 hours. This came after a full six-day debate on the budget and a mini-debate on an economic statement. They succeeded in paralysing the House for an entire winter. The Opposition insisted on this kind of obstruction even while hundreds of farmers, fishermen and small-businessmen were losing their livelihood and their homes. The Opposition was blocking consideration of the bankruptcy Bill and it has been obstructed for close to a decade by the Opposition. That is what undermines the parliamentary process, Mr. Speaker.

• (1530)

The claim that the Government is reducing the role of Parliament in the formulation and application of major policy is almost too absurd to repeat but it needs a response. It is the Government which has enacted and will shortly proclaim the Access to Information Act. The Government initiated the all-Party parliamentary task forces and special subcommittees that have played such an important part in policy development.

The Hon. Member for Yukon (Mr. Nielsen) may not go to committee now because there is not always a headline there to be scared up, but he must be aware of the excellent work being done on the disabled, acid rain, native self-government, pension reform, to name a few, by the special task forces.

What matter could be more important than the Constitution? In this Chamber we spent more than 38 days and scores of hours in public and in the committee whose proceedings were broadcast writing the Constitution in detail. We have not only a Constitution that is Canadian made, we have one made in this House. The problem is that the Hon. Member for Yukon wants to eat his cake and have it too. His Party is famous for being unable to make up its mind. It is often badly split on issues. Unlike the Liberal caucus, of which I am proud to be a part, it cannot even resolve its differences in an intelligent manner behind closed doors. There is only one rule—

Mr. Taylor: We do not have a dictator.

Mr. Simmons: —for uniting that bunch—the rule of political expediency. We see that rule in play this very moment, Mr. Speaker, as the Hon. Member for Bow River (Mr. Taylor) comes awake for a moment to get into the issue. He sees that somehow there may be an opportunity for some political expediency.

Mr. Taylor: Mr. Speaker, I rise on a point of order. The Hon. Member has no right to tell a lie. I have been awake all day. I am wide awake all the time I am in the House. Why try to mislead people?

Mr. Deputy Speaker: The Hon. Member is not rising on a point of order. The Hon. Member for Burin-St. George's (Mr. Simmons) has the floor.

Mr. Simmons: Mr. Speaker, there can be no question that the Hon. Member for Bow River is now awake. That is exactly what I said a moment ago.

I invite the Hon. Member to look at the western grain transportation legislation. His Party is so divided between the people who are in the pockets of the railways on the one hand and the people who are in the pockets of the cattle barons on the other, that when they try to please everyone they wind up opposing mutely and supporting nothing whatsoever.

Mr. Taylor: Go and talk to the people.

Mr. Simmons: I am talking to the people. I am not hiding on the other side of the camera like the gentleman from Bow River.

Mr. Taylor: You are hiding under the Prime Minister's coattails.

Mr. Simmons: He will get his opportunity in this debate. I am standing in front of the camera; he is hiding behind it. When he gets his chance I invite him to get up and make the kind of speech he is making now. On second thought, he should not make the kind of speech he is making now because he would make an awful show of himself. He should make an intelligent speech as soon as I am through with my few remarks.

Mr. Taylor: Then mind your own business.

Mr. Simmons: This is my business.

Mr. Taylor: We will look after the West; you look after Newfoundland.

Mr. Deputy Speaker: Order, please. The Hon. Member for Burin-St. George's has the floor.

Mr. Simmons: Mr. Speaker, that is the kind of regionalism that is tearing the country apart. I am a Member from Newfoundland but I have concerns for other parts of the country. If the Hon. Member for Bow River had the same kinds of concerns for my part of the country—

Mr. Taylor: Telling them what is good for them.

Mr. Simmons: —we would have a much more united country.

Mr. Taylor: If you would listen, we would have a much more united country.

Mr. Simmons: It is a fundamental principle of Parliament that there be an informed, well-intentioned Opposition. That is what this Parliament lacks. In its place we have an Opposition that is obsessed with power, obsessed with bile, obsessed with regionalism, obsessed with hate.

Mr. Taylor: We listen to the people.

Mr. Simmons: It is a Parliament with an Opposition which is still fighting the 1980 election; an Opposition which refuses to accept the electoral decision of the Canadian people made in February, 1980. When will this Opposition stop shouting across the aisle and tell us in cool, candid terms what it stands for? It stands for democracy—yet it deals with its own members in the most ruthless, undemocratic manner. Ask the Hon. Member for Yellowhead (Mr. Clark). Ask the Hon. Member for Capilano (Mr. Huntington) how it feels to be dealt with, in a ruthless, undemocratic manner. That Party stands for PetroCan—and against it; it stands for social programs, but it wants to cut them; it stands for bilingualism—and against it.

Mr. Taylor: We stand for honesty.

Mr. Simmons: It stands for a united country, yet it works day and night to divide it and fragment it, to play one region against the other. It stands on a fence.

Mr. Taylor: We stand for everything above the table, not under it.

Mr. Simmons: It stands on a fence. Fences have a way of doing painful things to those who stand on them too long.

Mr. Baker (Nepean-Carleton): Or to those who try to jump over them.

Mr. Simmons: Where does that Party stand on Canadian-American relations?

Mr. Taylor: Above the table.

Mr. Simmons: Ask the Hon. Member for St. John's West (Mr. Crosbie), then the Hon. Member for Yellowhead, and you will get two different answers about where they stand on Canadian-American relations.

Mr. Taylor: They will both be honest.

[*Translation*]

Mr. Simmons: Mr. Speaker, what is the Tories' position concerning the Constitution in relation with Quebec? When the Hon. Member for Yellowhead and the Hon. Member for St. John's West are asked the question, we get two entirely different answers.

[*English*]

Mr. Taylor: They won't be under the table. They won't be sneaking around.

Mr. Simmons: Mr. Speaker, does the Hon. Member opposite become unwound sometimes or does he talk like that all the time? Does he make some sense sometimes?

Mr. Taylor: We are above the table all the time; we are not sneaking around.

Mr. Simmons: Mr. Speaker, I will send the Hon. Member a throat lozenge in a moment because he is going to need it.

I listened with great interest to the Hon. Member for St. John's East (Mr. McGrath) and I have two points to make, in conclusion.

Mr. Taylor: You have not said anything yet.

Mr. Simmons: First, he asked why the Tories should give up an Opposition day for foreign policy. Why, indeed? If they do not think foreign policy is important, then they should not give up a day. I always understood that those debates were put down on important issues. If Hon. Members opposite believe foreign policy is important, let them use an Opposition day to debate it. They cannot have it both ways. It is the old Tory tactic again, however—the old business of trying to have their cake and eat it too. Having said that—

Mr. Taylor: The cake is always above the table, never under it.

Mr. Simmons: —I assure my good friend from St. John's East, who has just come into the Chamber, that my notes clearly reflect the following.

Mr. Taylor: You have notes? You needed notes to make this speech?

Mr. Deputy Speaker: Order, please. The Hon. Member for Burin-St. George's has the floor.

Mr. Simmons: Mr. Speaker, I want to say to my good friend from St. John's East that I felt he made several excellent observations and constructive suggestions for change. Indeed, his colleague from Yukon could take a page out of his book. I would say the same thing for the hon. gentleman for Bow River, but that would require some ability—

Mr. Taylor: Whatever we say will be above the table, not sneaking around. I won't be full of hatred.

Mr. Simmons: I want to say to the Hon. Member for St. John's East that it was a real pleasure to work with him on committee and it continues to be a pleasure. Unlike some Tories I know, he has the ability, learned over long years in this Chamber, to put his partisanship aside sometimes, as he did in this debate today—

Mr. Taylor: I wish you would follow his example.

Mr. Simmons: —and to come before the committee on parliamentary reform with some constructive ideas. It has been an absolute pleasure to work with him, the Hon. Member for Nepean-Carleton (Mr. Baker), and several other Members who are not in the House.

Mr. Taylor: Why don't you follow their example?

Mr. Simmons: I share the guarded optimism which the Hon. Member for St. John's East brought to the debate this morning. There was a constructive tone to his remarks. If I may paraphrase his remarks roughly, he said he is not very happy with many things he has seen in the House. I agree with him on that. Then he said in effect, "I believe there is some hope if we do this and this and this." The ideas expressed here this morning, he and I and others have already expressed in the parliamentary reform committee, and I expect in time many of these ideas will come forward by way of recommendations from that committee to this Chamber for implementation.

• (1540)

I want to make one other point to the Hon. Member for St. John's East. The Hon. Member made much of the fact that certain of the reports of the committee had not been concurred in. I am not disturbed about that particular issue because I understood that what was really needed in this House we already have, that is, a concurrence on those measures which were proposed on an interim basis. We have concurrence on that and we are working under those interim arrangements for the balance of this calendar year. In the meantime, we have literally many months in which to address the issue of whether we will concur in the subsequent reports which will come forward from that committee. Therefore, I would say to that Hon. Member that I am not particularly concerned that the House has not seen fit at this point in time to concur in those reports, although I would say to him that if he is really concerned about the issue, as I believe him to be, he should talk to the interim Leader of the Opposition because in many of these matters, I understand from our Government House Leader, we are waiting for the signal from the Tory Opposition House Leader so that we can seek concurrence in several of those reports.

Mr. McGrath: Mr. Speaker, would the Hon. Member for Burin-St. George's (Mr. Simmons) be prepared, as a Government supporter, to take the initiative and move concurrence in the fifth and sixth reports? He can forget the fourth report dealing with the speakership, but the fifth report and sixth report are critical to what we have already done. Is he prepared to move concurrence and test the House? That is the true test. It is not whether or not Members opposite are waiting for a signal from us. The initiative has to come from the Government.

Mr. Simmons: Mr. Speaker, I say to my friend, the Hon. Member for St. John's East, that that would certainly be the "grandstand" thing to do. I have never been known for a lot of grandstanding. I would rather await the process. If this were the end of the calendar year and we were coming close to the new year in which we would have to revert to the old rules or anticipate some new ones, then I could see the urgency of doing something and I would be urging the Hon. Member to get up and move a private resolution, or I would think about doing it myself, for that matter. What I am saying now is that we have six months before the end of the year and certainly in that time either the interim Leader of the Opposition and the Government House Leader, or the successor, the gentleman from St. John's West, next week, will be able to do that. Perhaps the individual from Baie Comeau, Antigonish, or whoever becomes the Leader of the Party will be able to do it. However, I say to the Hon. Member that I see the need for a change because I participated in the committee proceedings which recommended that change. I do not see the need for a stampede. It is going to be a number of months before the interim rules run out in terms of the sunset clause on them and in that time, surely, we can get heads together, the new Leader of the Opposition with the Government House Leader.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, 10 per cent of the Hon. Member's speech was devoted to the issues and during the other 90 per cent he attacked personally the Leader of the Opposition (Mr. Nielsen), but during that 10 per cent of his speech he mentioned that the reason we do not discuss foreign policy very often here seems to be the fault of the Opposition. I am sure he is aware that we could discuss it any time that the Secretary of State for External Affairs (Mr. MacEachen), or the Prime Minister (Mr. Trudeau), chose to make a statement on motions on any of the international conferences they attend. However, they prefer to make them, as the Hon. Member knows, at press conferences. I wonder if the Hon. Member could tell us the last time that the Government side made a statement on motions on anything to do with external affairs?

Mr. Simmons: Mr. Speaker, in answer to the specific last question, I do not think they have made one for a long time, and I will go further and say that they would be crazy if they tried to make one under the present circumstances in the House. You cannot make statements by Ministers with the bells ringing and when we have some Government business we have to get through. We have very little Government time in which to get it through.

The Hon. Member for St. John's East made a suggestion this morning which is worthy of note and will be taken under advisement, which is whether we should be making statements at six o'clock or at eight o'clock. The crux of the issue is not whether the Government wants to make statements, I say, but whether the Government can find a way to do so without eating too heavily into Government time which is so badly needed to expedite Government business in this Chamber.

With respect to the Hon. Member's earlier comment, Mr. Speaker, as to how much of my time was spent on the issues and how much time was not, I say to him that I scarcely see how he could hear what I was saying in any event because he was being harassed from behind by his friend, the Hon. Member for Bow River. How he could hear anything I said I am at a loss to understand. Obviously, he has good ears and he has the earpiece in his ear, and it makes all the difference, and I thank him for listening to me.

Hon. Walter Baker (Nepean-Carleton): Mr. Speaker, I awakened this morning with the resolution in my heart that I would say or do nothing partisan this week.

Mr. Johnston: That's a precedent.

Mr. Baker (Nepean-Carleton): The Minister of State for Economic Development (Mr. Johnston) says that that is a precedent. He may be right or wrong with that resolution. I would like to start off by congratulating the Hon. Member for Burin-St. George's (Mr. Simmons) on the very high quality of his speech. In fact, it is of a higher quality than we usually hear from the Hon. Member for Burin-St. George's and for that I believe the House should be extremely grateful. I know they were thrilled in the gallery with the speech he made. In fact, I understand they left before I got up and as he was sitting down. I did not want to be partisan and that is not my intention. I want the Hon. Member to know that I as well accept kindly and warmly his expressions of goodwill toward the present Leader of the Opposition (Mr. Nielsen) in the House of Commons. I am sure that, although the Chamber is awash with his crocodile tears worrying about the Leader of the Opposition, all of it will be taken in the best of heart, and that the Leader of the Opposition has his own way of expressing his grateful thanks for such warm words as he is about to depart. I am certain that the Hon. Member for Burin-St. George's will be sending the Leader of the Opposition an autographed copy of his speech which the Leader of the Opposition can hang up in the place where he usually keeps these memorials and testimonials to the work he has done in the period of time he has been Leader of the Opposition.

As a matter of fact, I believe, we are going to have an evening for the Leader of the Opposition within the next day or so. I feel it might be a good idea to read the speech of my friend during that evening, which will indicate to the Leader of the Opposition just how effective he has been in this interim period, and I want to take this opportunity to congratulate the Leader of the Opposition for the work he has done in this Parliament in a very difficult situation, and in dealing with a very difficult Government.

I wanted to begin my remarks in that ecumenical sense with respect to my friend, the Hon. Member for Burin-St. George's. I want to say to the people of Burin-St. George's that he is not always like this.

Mr. McKinnon: He is asleep part of the time.

Mr. Baker (Nepean-Carleton): Yes, perhaps he is not that way when he is asleep, but I see him under other circumstances. I just want to say that he is not always of such a high quality. In fact, there are occasions when he is of much higher quality in terms of his contribution to the Parliament of Canada.

Mr. Munro (Esquimalt-Saanich): When?

Mr. Baker (Nepean-Carleton): Well, I share with him a membership on the Special Committee on Standing Orders and Procedure, and I must say that he has made a good contribution. And it was because of the contributions he has made on these occasions, away from the spotlight, away from the television cameras, and away from the Press Gallery, very constructive contributions, that I became a little concerned about my friend from Burin-St. George's as I listened to him today. I felt only that he had been overcome by the atmosphere in this House of Commons today and by the people who were here to listen to him, those who did not leave. I sat through it all and that is why I am prepared to say, Mr. Speaker, and prepared to attest anywhere, that his speech today is of higher quality than he has delivered on other occasions in the House of Commons, and he is to be congratulated. We have sat together on committee, and I want to talk about that committee because, frankly, it was one of the most rewarding experiences I have had since I came to Parliament, bar none. I

believe that has been the experience of all Hon. Members who have sat or are sitting on that Special Committee on Standing Orders and Procedures which has examined the rules and procedures, and we have some reports which I hope that the Hon. Members of this House of Commons, and the Government, will consider very carefully. They are there on the record.

• (1550)

There have been some fundamental changes made in the operation of this House of Commons. Members of the Committees understand the powers given to smaller but I believe more effective standing committees, at least potentially so. It will come as some surprise to Members as they begin to realize the scope of the work open to private Members with respect to those reforms. Some of the members of the Committee travelled to the United Kingdom and watched committees in operation and talked about special kinds of committees. It became apparent that we had just taken the first step and that the second step was to ensure that somehow or other, while Members of the standing committees of this House would exercise their function examining the Estimates and beyond that to exercise their right to investigate, there was a necessity for the Government to be assured that its legislative program could proceed. There could be some conflict between the Members' work on Estimates in the standing committees and their investigative capacity and the initiative the House gave them by accepting the third report and the necessity of this House being able to deal with legislation in a sensible way.

I do not think any Member has spoken yet, Mr. Speaker, about the sixth report in which the Special Committee considered one of the fundamental tasks of Parliament, that is the examination and consideration of legislation. What we in the Committee presumed to suggest to the House in our sixth report were two fundamental changes which will allow private Members of Parliament to undertake the expanding workload the Committee members feel is going to be pressed upon Parliament as a result of the reforms. Dealing with legislation, the Special Committee proposed that we establish what are to be called ad hoc legislative committees which would work this way: upon second reading of a Bill and the reference to committee, there would be established by the striking committee a representative committee of Members from all sides, the size and composition of which would represent the Party strengths in the House which could vary from Parliament to Parliament. That committee would have all the powers to examine legislation that our standing committees now have for the period of time necessary, and then the committee would dissolve itself.

Mr. McGrath: Changeability.

Mr. Baker (Nepean-Carleton): My friend, the Hon. Member for St. John's East (Mr. McGrath) has reminded me that that would allow consideration of legislation to go on while standing committees were dealing with Estimates and matters flowing therefrom. More than that, it would allow Members with interest and expertise to be taken from the standing committees of the House to be placed on the legislative committees. I believe that would get away from the conflict which can sometimes exist when the standing committees are dealing with Estimates and dealing with legislation at the same time. It would allow the best expertise of the House of Commons to be free, Bill after Bill after Bill, to deal with the principles set forth in particular Bills. They would then dissolve, the next piece of legislation would come forward, another committee struck, and it can be dealt with in that way.

This was the unanimous opinion of the Committee. The report of the Committee, under the very able chairmanship of the Hon. Member for Pontiac-Gatineau-Labelle (Mr. Lefebvre) is there to be read, and we hope it will be adopted.

The other aspect of that report which was missed completely in the press reports at the time is the creation of a system of so-called neutral chairmen. A panel of chairmen would be chosen by the Speaker in the House who would become from time to time the chairmen of these legislative committees. The Committee thought that the composition of that panel of chairmen would be more or less proportionally equal to the physical division of the House of Commons. There would be representation from Members of the Opposition, who have the same interests in legislation but maybe from a different point of view, as well as from the Government side on a more or less equal basis. The Speaker would have the responsiblity of assigning from that panel, presumably after some consultation if that was the particular style, a chairman of the legislative committee to deal with Bill No. so and so. That person would act in that capacity and that committee would have all the powers of a committee of the House of Commons.

Our hope is not only to establish a sense of impartiality in dealing with legislation so far as the chairmanship of these committees is concerned, but to develop within the House of Commons men and women who could be seen by Members of the House of Commons over a period of time to be training themselves for the office which you hold, Mr. Speaker, the office that Madam Speaker holds and the office that the Hon. Member for Lachine (Mr. Blaker) holds. That ties in with the hope of the Committee that those who aspire to the job of Speakership do so for the job itself and go into that role with that objective in mind, namely that of becoming the first commoner in this House of Commons. We believe that not only would legislation be better considered by Members who are interested in the legislation, because a striking committee would decide what Members would be on the particular committee, but that those committees would be chaired in a neutral way so that this Government's legislative work could be facilitated. At the same time we would be strengthening the institution of the Speakership.

I ask all my colleagues in the House of Commons to consider that sixth report, particularly the last part dealing with the neutral chairmen, which has never been considered. I would ask the press to consider it as well as it has not been considered by them.

I never cease to be amazed, Mr. Speaker, at the capacity of this partisan House, from time to time, to do things and act in

a worth-while way. People do not believe it. They watch Question Period and think that is all that occurs. They never watch debates in the House of Commons. They never see a committee operating. They had one good occasion to do that during the constitutional committee hearings in the course of this Parliament, but normally they never see it. When you tell them there are standing committees and Members labouring day and night, week after week, on the standing committees, they do not believe it at all because they do not see it on television. It is my hope that sometime, without destroying the committee system, there will be opportunities for the committee meetings to be televised. I hope that will be the case.

I was truly astounded at the results of the work of the subcommittee of the Standing Committee on Justice and Legal Affairs under the chairmanship of the Hon. Member for Windsor-Walkerville (Mr. MacGuigan), who is now the Attorney General and the Minister of Justice, with respect to prison reform. As a result of the non-partisan "seek the truth" approach that subcommittee took, there is a process in place in the Department concerning prison reform. All the special committees have worked well, with the objective being to seek the truth and make the best recommendation. Those special committees were established under this Government and were foreseen by our Government with our select committees on volunteerism and a host of other subjects.

• (1600)

Today I asked a very serious question of the Solicitor General (Mr. Kaplan) in the House of Commons with respect to the security legislation in the House. There is a great deal of controversy in Canada over the Government's proposal with regard to the new security service. There are problems within the Royal Canadian Mounted Police. There are problems within the House of Commons. I say to the Government of the day, as I would say to any Government of the day, that among the private members of this House of Commons, the ones who do not hold office, those who are not House Leaders, Cabinet Ministers, Parliamentary Secretaries or Speakers, there is a great deal of expertise. There are numbers of inquiring minds and there is an ability to work hard.

Today I suggested very seriously, and the Solicitor General seemed to take kindly to the suggestion, that perhaps it would be appropriate if the subject matter of the Bill, which I believe is Bill C-157, were sent to a special committee of the House of Commons. There should be a simple reference of the Bill to the committee, having attached to the reference the actual text of the Bill itself. That committee, whatever it is, should be given a specific time within which to report, a reasonable time not a long time so that those who are interested in it could be heard.

Does Your Honour remember that the last time that was done concerning a major piece of legislation it was with regard to the immigration Bill, before 1979? That was a controversial piece of legislation, legislation so fundamental that it had the potential to change the complexion of the country. My friend, the Hon. Member for Sarnia-Lambton (Mr. Cullen), was the Minister at that time, I believe. What occurred was that the Government of the day was wise enough, smart enough and, I guess, even political enough to recognize the problems. There was a special joint committee which went across the country and spoke to the interest groups, allowing the public to be heard and submissions to be made to Parliament before the Government had taken a hard and fast position, as it invariably does on second reading under our rules, which are silly from time to time. They are positions which cannot be changed. The results and report of the committee went to the Department. The Bill was vastly rewritten. It followed many of the recommendations from Members of Parliament.

If Your Honour will recall, the second reading debate on that fundamental position, that fundamental piece of legislation, did not amount to 10 days or two weeks and the bells were not rung. It was not a case of the Government trying to shove a piece of legislation down Parliament's throat, as it is trying to do with regard to the Crow rate. It was not a case similar to the omnibus Bill. It was a sensible seeking for the truth by a parliamentary committee, with the result that truth was found and considered. As a result of the process involving what started off as being a very controversial Bill, it took only four days to complete the second reading debate. There were some amendments later on. However, to my mind, that was a sensible operation within the parliamentary system.

It is amazing how the task forces have worked within this Parliament, when Members of Parliament have been asked to concentrate together on a particular matter and to seek the truth. Members of Parliament are capable of some great things. This is an opportunity for the Solicitor General, his colleagues and the Government to emulate a process which had worked before. I hope they will consider it.

I do not speak in any partisan terms with respect to this motion. Our process with respect to motions requires them to be dealt with in partisan terms. One motion may be less partisan and another one more partisan. However, that is the kind of process we have in this House. That is why it must be reformed and changed.

I say to Your Honour that I worry about what the well-meaning, well-intentioned democracy thinks of Parliament. I am worried about the regard for Parliament in the Privy Council Office from time to time. Why should I not worry? I have been reading a report which appeared in the Vancouver *Sun* by Mr. Jamie Lamb of Ottawa. There is a requirement for Crown agencies and corporations to file annual reports and to file them within a certain period of time. The Canada Post Corporation has not filed its annual report and financial statements within three months of the end of its fiscal year. It is not the only offender. The column states that according to the latest report by the Auditor General, not a single Crown agency filed its report within a three-month period after the end of its fiscal year, not one.

Every Member of Parliament, including Your Honour, and every person who cares about this place must be concerned about that kind of regard for the law which is passed here. That is the purpose of this motion. That is why I believe that

the motion is supportable in allowing the House to advance some positive improvements to the institution to make it much more responsible, not only concerning Members of Parliament but also concerning the requirements of the Canadian people.

Mr. Deputy Speaker: Are there Hon. Members rising to ask questions? If not, the Chair recognizes the Hon. Member for Sarnia-Lambton (Mr. Cullen).

Some Hon. Members: Hear, hear!

Hon. Bud Cullen (Sarnia-Lambton): I thank you, Mr. Speaker, and I give thanks to the Minister of Supply and Services (Mr. Blais) for that round of applause.

My first words must be words of compliment to the President of the Privy Council (Mr. Pinard) who had an awesome task, a very difficult one, in very difficult times, in endeavouring to pass legislation, motions or budget through this particular House. Those of us from both sides of the House who have been here for some time are quick to mention to almost anyone who asks that the mood in the House has been sour, bitter and certainly inappropriate if work is to be done on a co-operative basis. Therefore, the President of the Privy Council, faced with that particular hurdle, has done a commendable job when one considers the volume of legislation that he has been able to get through.

There are good reasons why this session has had to be extended. To be fair, as my friend, the Hon. Member for Nepean-Carleton (Mr. Baker) said, trying to be non-partisan, there are difficulties or faults on both sides. What we must do in this Parliament is to strive the best we can to overcome that kind of bitterness. For that reason, I was a little sorry that the motion was in the name of the Leader of the Official Opposition (Mr. Nielsen) because his very nature, his very style in the House, is pretty partisan, whether as the Hon. Member for Yukon or as House Leader or as Leader of the Official Opposition. That is his way of doing things and he is very tough in his approaches. However, his kind of introduction to a speech on Parliament and how Parliament should operate gives us certain vibes, on this particular side, which make us want to respond in kind.

I have written my comments at least three different times because of the tone of that particular speech. With the number of years of service he has had in the House of Commons, particularly having served as a House Leader for the Official Opposition, I thought that in addition to his criticisms about the things that are happening now, we might have heard some more positive approach as to what he would like to see, rather than only those things which are disturbing him. However, I waited, as my friend and colleague did, to hear something in a positive vein from the Leader of the Official Opposition, something that he might have had to lend to the debate. After all, this is his motion, standing in his name. However, his speech was badly lacking.

I listened very carefully to the Hon. Member for Hamilton Mountain (Mr. Deans). He gave the impression that because the Government has the majority, that Government has no right to believe that it should be able to get its legislation through and that, in effect this should become a sausage factory, with a quick and easy debate and, bang, the legislation going through. He and I both know that this is not the idea of this Government, a majority Government, in this House or in any particular legislature. However, I think we must recognize that a Party is elected to govern a country and has the right, as accepted in the mother of Parliament, Westminster, to get its legislation through.

What we are entitled to in this House as backbenchers, whether we be on the Government side or the Opposition side, is a good ventilation of a particular piece of legislation, even to the extent that the debate may establish, in the mind of the Government, that the particular Bill should not go through, that it should be changed, or that amendments should be made at the committee stage. That is what debate is all about. That is what the Government believes when it puts forward a particular piece of legislation. Always remember that when legislation comes forward, it is not a measure that the Minister or the Government has dreamed up overnight. It is legislation that has taken a lot of work by departmental people, Ministers' advisers and others. It goes through caucuses and Cabinet committees before it sees the light of day in the House. Legislation has already had a fair amount of debate even before being introduced in the House.

• (1610)

This is not to suggest that legislation is perfect, because much of it is imperfect. Changes were made to much of the legislation I had the honour of introducing in the House, and it was better legislation as a result.

The Hon. Member for Nepean-Carleton mentioned the immigration situation. I do not want to take credit for the splendid work done by the late Bob Andras. He initiated the idea for this particular committee to travel across the country to hear the views of the people. Unfortunately, I think too many Canadians missed a glorious opportunity to voice their opinion. Many people came to those meetings with a particular axe to grind and disrupted many meetings.

I will never forget the Hon. Martin O'Connell who chaired that particular committee. There was no one more dedicated to doing something for the immigration procedures in Canada than Mr. O'Connell. All too often his committee came up against people who were abusive, loud and ill-prepared to make a cogent argument. In the final analysis, that committee submitted a splendid report.

I want to say that I believe that many cheap shots are taken at the Prime Minister (Mr. Trudeau), saying that he is in fact downgrading Parliament. I think we should remember that it was this Prime Minister who realized that Governments and Cabinet Ministers had access to the civil service and substantial back-up information which was not available to the Opposition Parties. He saw fit to make research money available to the Opposition Parties so that they could have better research facilities to ask more informed questions on the Order Paper, make better speeches and have more informed

positions. This could be done rather than a Member of Parliament having to rely on one or two persons or a small over-all group to give assistance. This was done with the purpose of making the Opposition better informed and to give them a greater opportunity to have access to more information on a particular subject before the House.

The Prime Minister is here for every Question Period which it is possible for him to attend. He consistently attended even when there was a trial system in place some years ago when half the Cabinet would attend one day and the other half of the Cabinet on the next. This was somewhat similar to the British system where certain Cabinet Ministers and junior Ministers are there only on certain days of the week. My colleague referred to that earlier. I believe that our Question Period is better. However, it was proper to experiment because a lot of Ministers' time is in fact wasted in the House of Commons when they sit here day after day without being asked a question. They conceivably could be working on other projects. In any event, that experiment failed and we returned to the practice of having all Cabinet Ministers in the House when they were in Ottawa. It was only an attempt to improve the Question Period.

One area for which we come under criticism from time to time concerns the trips that Members of Parliament make, whether it is to Commonwealth parliamentary associations or Canada-United States meetings. I hope that we will not bow to the pressure from people who say that these trips are merely junkets which are not worthwhile. In the approximately 15 years that I have been here, I found that I have learned something on every trip that I have made. One of the significant things I have learned is that there are many fine people on the other side of the House. When we leave the country, we do not go abroad as Liberal Members of Parliament, NDP Members of Parliament or Conservative Members of Parliament; we go outside of the country as Canadian Members of Parliament, and very often that is when we do our most effective work.

I want to compliment the Hon. Member for St. John's East (Mr. McGrath) for raising the level of the debate. In his way I think he tried to convey some of the ideas that he, the Member for Nepean-Carleton, and those of us on this side who served on that particular committee felt were necessary in order to make Parliament more relevant and efficient, in order to give the ordinary Member of Parliament more responsibility and relevance.

In this respect, many of us came here from businesses, busy law practices, medical professions and farms. We were busy people doing important things and believed we could do something more important by coming here. It is a frustrating experience to find that the work one has done, speeches and the representations one has made and the questions asked, are seemingly ignored. The frustration builds to a point where a Member from either side feels that all the work that has been done with the best intentions does not have the significance or importance that it should in fact have.

I agree with the Hon. Member for Nepean-Carleton that the Committee has presented some significant reports. However, I am somewhat apprehensive about the fact that the Member for St. John's East and the Member for Nepean-Carleton may be pushing these reports too quickly. While these are excellent reports that can be applied, I believe they need further study.

I am particularly supportive of the concept of a committee of chairmen. I am also in favour of the idea of a legislative committee that studies various pieces of legislation. There may be Members who serve on committees now but who are not interested in a particular piece of legislation.

There are areas in the report for which we were able to obtain great co-operation. I recommend these reports to all Members of the House, particularly to the backbenchers on both sides, because they are particularly significant for them.

In small tribute to the class of 1968, the group which came here at that particular time, I would like to read a few comments made by a very nervous Member of Parliament who was moving the Address in Reply back in 1969. It is rather interesting to quote the Governor General at that time who said:

—the possibilities for good for Canada of my new office and duty—

That is what we took as a particular tone. This Member said as reported at page 6 of *Hansard* of October 23, 1969:

Some in this House may have to be reminded from time to time that we are here for the good of Canada and that is our prime responsibility. No one is asked to lose sight of the fact that we are politicians and that we have obligations to our respective parties nor that we, as individuals, are accountable to our constituents. But, in the final analysis, Canada and the betterment of Canada must come first.

He went on to say:

We in this House have an awesome responsibility and it far outweighs the immediate responsibility imposed upon the Prime Minister and his cabinet to deal with present day legislation. We, and I mean all members of this House, have an obligation to make the House of Commons more relevant, to establish to the satisfaction of the citizens of Canada that the government has the single, most important role to play in the development of our country. Our legislation, our conduct, our rules and our dedication all receive the daily scrutiny of the press, radio and television. The legislation of the present Liberal government receives the criticism, constructive and, unfortunately, sometimes otherwise, of the opposition parties.

In the various committees of the House this legislation is reviewed, critized, amended and reported back to the House. This legislation is then subject to amendment and these amendments are debated. There are many safeguards before proposed legislation becomes law and this is as it should be.

It is difficult however to explain to the citizen of Canada who is not familiar with these procedures the necessity for taking time and having safeguards. But that self-same citizen has a good point. I think we must be careful in the House of Commons that we do not take too much time. We must look at the program of legislative proposals, establish the priorities, and then calculate the time which is available to us if we are to ensure that this legislative program will be adopted within the time available.

It is interesting to note that the Sarnia *Observer* in an article in July, 1969, said this:

The real threat to parliament isn't the possible danger of cutting off productive and informative debate on a measure, but the steady erosion of prestige by tiresome speeches, lack of decorum, obstructionism and poor attendance in the House. The House of Commons is its own worst enemy and every time it aids its own weaknesses it chips away a little more of its own fabric.

That was written in the Sarnia *Observer* some 14 years ago.

Mr. Benjamin: Who said what you quoted earlier?

Mr. Cullen: I know those asking will want to get a copy of it. If they go back to *Hansard* of October 23, 1969, they will find that the Hon. Member for Sarnia that day made those particular comments.

One comment particularly made by Members opposite concerns the so-called lack of accountability as a result of the Estimates. I would invite those Members, if they will take the time, to look at the Estimates presently being studied before the various committees. They will find that very few questions are asked about the Estimates. The only questions asked are on issues that happened to be particularly attractive on that particular day. They do not concern whether a Minister has ten more person years in his Department or why so many people have been added or subtracted in management. Those questions do not ask why a departmental budget has risen by $100 million or $200 million. Usually it is a political question that is asked. I am not being critical, although I sometimes think there is a bit of hypocrisy when I hear the Government is not being held accountable. We now have the Estimates before several committees. All kinds of information is made available by the President of the Treasury Board (Mr. Gray) and by Treasury Board. There is an opportunity to do an effective examination of the accounts of the Government. That opportunity is not taken in too many cases. Here is an area where, if Members of the Opposition feel they do not have an important enough role to play because they are not introducing legislation, they might give some thought to using the committees as they were meant to be used.

• (1620)

Our special committee had the opportunity to visit Westminster. One of the areas that impressed me was the idea of communicating through the usual channel. House Leaders do not work one with the other; they talk in the House, they debate in the House. The usual channel is a civil servant, the Government House Leader, the Whip of whoever is handling the matter who moves a particular program for the week. The usual channel discusses the program with the Opposition. Perhaps the Opposition says: "We do not like this, move it to another day." Negotiations take place in that particular atmosphere. I often wonder how House Leaders for the Government side and for the Opposition Parties harangue one another in a debate and then immediately move into a House Leaders' meeting and try to resolve something in a co-operative way. It seems to me the whole atmosphere is poisoned from the standpoint of working out some co-operative method whereby House business can be moved forward. On that basis I think there is something to be said for the British idea of the usual channel.

Mr. Benjamin: You know better than that.

Mr. Cullen: I am happy this particular debate was initiated today. I believe the Hon. Member for Nepean-Carleton indicated that probably there would not be many people listening to it or for that matter interested in it. But those of us who have a feeling for this place, and particularly for the House of Commons, have an obligation to read some of the reports put out by our Committee. We have an obligation to try to determine how we can make a better and more important contribution, how we can make this place more relevant for people who come after us and serve in this capacity. If the motion put forward by the Leader of the Opposition does not do anything more or accomplish anything more than that, if we have done that, we will have fulfilled our obligations.

Mr. Benjamin: Mr. Speaker, I have a question for the Hon. Member for Sarnia-Lambton (Mr. Cullen), who has been here as long as I have. I look forward to June 22. Does the Hon. Member think it proper that when a House Leader for an Opposition Party submits a proposal in writing to the Government House Leader on how to deal with a Bill in a much more expeditious manner—or deal in a much more expeditious manner with at least parts of it—that it deserves the courtesy of a reply, yes, no or maybe, and that it deserves some further discussion? If the Hon. Member agrees with that, then would he also give us a commitment that he will talk with his own House Leader? I am speaking about Bill C-155 on the statutory grain rates in particular.

Mr. Cullen: First I must say to the Hon. Member that I have not been in the House as long as he has. He may have forgotten that I lost my seat in 1979, so I have a gestation period shortage of about nine months.

At the beginning I thought the Hon. Member was making a case. Then he said "if we are prepared to put parts of a Bill through." I think the House Leader has to worry about all of the legislation. During the bell ringing on the energy Bill, the House Leaders did meet and did work out a scheme whereby that very controversial and difficult piece of legislation became pieces of legislation which were passed before the end of the year.

We have not finished the debate on the Crow by a long shot. It may be the Government House Leader is looking at it. I am not being paid even a Parliamentary Secretary's salary so I do not want to usurp the role of a Minister, but I have so much respect for the House leader we have that I expect the Hon. Member will get a reply soon.

Mr. Benjamin: That is what he said.

Mr. Albert Cooper (Peace River): Mr. Speaker, I am pleased to have the opportunity to enter the debate today. This debate is one of considerable interest to me. I am pleased to follow the Hon. Member for Sarnia-Lambton (Mr. Cullen). I served with him on the Special Committee on Standing Orders and Procedure. I have enjoyed his contributions in the Committee and his comments here today.

I was going to comment on the remarks made by the Hon. Member for Burin-St. George's (Mr. Simmons), but I think the Hon. Member for Nepean-Carleton (Mr. Baker) did a

most adequate job and made the point very effectively. Therefore I will not comment.

I will speak briefly of the Committee. Serving on this Committee has been an exciting experience for me as a new Member of this House. I have had an opportunity to look at the rules, learn about them and to learn of their implications. Essentially, I have been able to get a better feel for this House than I would have otherwise had I not been a Member of this Special Committee.

I have been listening to the debate with interest today, in particular the comments made by the Hon. Member for Nepean-Carleton, the Hon. Member for St. John's East (Mr. McGrath), and other Members.

I want to approach this subject on three different levels. The first is to look a little bit at what I see as the historical purpose of Parliament. Second, I will look briefly at the way I see the present situation and outline some of the concerns that I have with it. Third, I will look at what I perceive as some potential for change and relate some of the ideas we have been debating in Committee.

Looking first at the history of Parliament, we find that the purpose of Parliament, our Parliament's mother, really grew out of the frustration of a people who had rulers with absolute power. The king and Parliament could not agree on the role of one or the other. Parliament had control of taxation and the king had control of virtually everything else. Because Parliament did not co-operate and grant the king excessive taxation, he turned around and suspended it. A revolution took place that displaced the king and we ended up with a fellow by the name of Cromwell, who eventually became a dictator. That era was followed by a king with fewer powers, and Parliament began the long evolution that brings us to where we are today. Parliament has moved toward becoming both the representative and the governor of its people, which is a unique role, and is in some ways a profound contradiction. However, we as parliamentarians must do all we can to preserve both of these aspects.

Lately I have had some concern. I can speak only as a Member of this House since 1980. This Government has ignored its task of according Parliament the respect it is due. First, in some cases I think it has ignored the legitimacy of respresentation, and I think in some other cases it has been concentrating Government power outside of Parliament.

We have seen demonstrations of limited debate, which tend to reduce the function of representation for which all of us have a responsibility. Also, some of the decision-making process has been removed from Parliament, and that diminishes Parliament as governor.

I have some concern that Parliament has had its procedures undermined at the expense of traditions by having the importance of its conventions ignored, conventions which are a large part of our history and are of fundamental value to the way Parliament works and functions. Second, the vitality of the House is dependent upon a free and lively debate. The rules and procedures are backed up to a great degree by unwritten laws, conventions and things that we simply cannot put down in clear language.

I think this Government has ignored the history of the House, through its use of written rules. This Government has used them in certain ways in a spirit that is in contradiction to the conventions that were established. It is not in a sense doing anything illegal but very often it is doing something that is in fact excessive. I guess it very simply boils down to—and we talk about it often in Committee—the entire issue of attitude. Attitude is the difference between making a rule work, abusing a rule or just generally breaking down a rule. The question of attitude has been one of my concerns.

• (1630)

I would like to give some examples to demonstrate this. The first one was that which brought about the bells. This has become a significant matter. I guess it was the reason we then proceeded with the establishment of the Committee which has been very important to all of us. I am referring to the omnibus Bills, national energy Bills. They caused a great deal of concern to Members of the Opposition and all of us are familiar with the net result. Of course it then led to the formation of the Committee. The omnibus Bills are the first example I give of an abuse of Parliament.

The second example of that is so-called incomplete Bills. The most recent demonstration of that is the one now before the House in the Crow debate. The Minister amended the Bill outside the House, so on and so forth. There are many difficulties.

The third example is vague Bills. The most recent example would be the so-called spy Bill about which there were several questions today during Question Period.

The Government seems to resent—and I know it is a fact because I have heard several comments about it; in fact we heard comments about it today—the fact that we as an Opposition resist bad legislation. As a result, it has turned around and invoked, or at least threatened to invoke, closure or time allocation in some 22 instances since 1980. Two particularly significant debates on which the Government brought in closure were both on very important issues. Of course the first one was the Constitution. I found it quite unacceptable to see closure introduced on something as fundamental as the central laws or the rules by which the country will be operated. It was unacceptable to see closure brought in before many Members of the House had an opportunity to speak on the particular issue. The second one—and we will see evidence of it again tomorrow—was Canagrex. This Bill has a significant impact on a very large part of the country. In fact, it will ultimately affect all Canadians.

It becomes very much a concern of Members of the Opposition when the Government beings in closure, particularly when we think that in the present situation the Goverment does not have any representatives in a large part of the country west of Winnipeg. The Government has no Members from that area. Thus it is necessary to have time to debate issues which are

very important to the people of that area in the House of Commons. Of course the two most recent examples were the Constitution and Canagrex. To have our opportunities to debate important new laws frustrated by closure is an abuse of Parliament.

There are a number of danger signals of which all Member should be aware. We have some conerns when the highest Government Members do not have much regard for our parliamentary tradition. One of the most recent examples was the budget leaks. We know from looking at British examples that there have been resignation for the most minute leaks, but in this case there was no resignation or admission that anything out of the ordinary had been done. According to the Government everything was fine.

Also we have seen the Government allowing non-Members—in this case the Party President—to pass out Government cheques at a particularly partisan function. People who wanted to receive cheques had to attend the partisan function to collect them. This happened in the riding of the Hon. Member for Bruce-Grey (Mr. Gurbin). That is the kind of danger signal at which we in Parliament should be looking. We should be worried about this type of thing and it should cause us some concern. It is the type of thing that can erode Parliament.

Another example was the Coalgate affair. Also we have seen favours bestowed upon people such as the architect about whom we recently talked in the House of Commons. Another area of concern was that of the executive being held accountable to Parliament. We have seen different ways in which the Government has managed to get around this. The first may well be that of attempting to overborrow. We have seen this in some of the borrowing Bills that have come before the House. We have seen letters of comfort being given to companies such as Canadair and Consolidated Computer. Of course, the net result is that we as Opposition Members and Parliament as a whole do not have a full opportunity in which to debate such issues.

Another would be the loose reporting rules for Crown corporations. Several Crown corporations have not been reporting although they are obligated to do so on a once a year basis. We are not seeing that translated into action. Another method of the Government's avoiding accounting for its actions in the House is the entire area of advocacy advertising. I refer to the advertising we have seen recently on the Crow issue and that on the Constitution. I believe they are examples of abuse of Parliament and of the rights of Members of Parliament. It takes away our opportunity to debate an issue thoroughly, clearly and freely in a forum which was designed for that purpose. It is an abuse of power and an abuse of Parliament.

Then there is the area of the agents of government policy which are beyond the scrutiny of the House. Recently we saw the formation of CIDC, a master Crown corporation, which is causing some concern. There is no authority from Parliament for that particular organization. In fact, it is operating by taking funds and channeling them through other Crown corporations. It is managing to survive, keep afloat and grow without Parliament's having had an opportunity to debate it.

Then we have the whole area of secrecy, those areas in which parliament has not been able to touch the Government. There have been Orders in Council. Probably one of the most significant ones debated in a while was the War Measures Act and the changes made to it behind closed doors without any debate in Parliament. This was a concern to people. Also there is the area of ministerial discretion which was clearly demonstrated in Bill C-48. I sat in on the committee which looked into that matter. We talked about some of the areas which gave Ministers so much power, latitude and freedom. Perhaps that abuse of Parliament is beneficial to the administrators, to Government Members and to Cabinet, but if the trend continues we will eventually have a Government without meaningful representation of the elected people. We will have government in secret, Cabinet-made law, laws made by bureaucrats and Crown corporations which have a significant impact upon the economy and upon the country, without any opportunity for debate in the House of Commons. Therefore, essentially Parliament will not be the source of law because it has no meaningful debate or representation on central issues. In fact we will have created a mere shell of a great institution.

Canadians are beginning to realize that many of the forces affecting them are government and that they are no longer Parliament. In other words, as individuals or as representatives of a given area, we do not have an opportunity really to influence or have an impact upon matters which will dramatically affect our people. Canadians have the right to expect democratic representation in institutions which have or should have control over government. Potentially we could return to much the same situation about which I talked in my earliest example of the reasons Parliament came about. We now have Cabinet gathering into its hands unlimited financial control, as well as control over everything else.

In the last part of my remarks I want to touch upon some of the things that have been done to effect some changes in this institution. I want to refer to two examples which we are practising right now in the House that are demonstrative of the things the Committee has been attempting to accomplish. The first item which caused concern in the House was the moving of Private Members' business to Wednesday to provide an entire day exclusively for Private Members' business. The purpose was to raise the profile of the private Member because as a Committee we have been struggling to see private Members take their due place in this institution and begin to have an impact. This can only happen when we as Members of the House of Commons become involved in the process and when it becomes alive and begins to function. This is very demonstrative of what the Commitee is trying to do.

• (1640)

The second change has been really quite exciting. I have heard a lot of comments from Members on both sides of the House. I refer to the 20-minute speech with the 10-minute question period. That has allowed some spontaneity in the

House. It has allowed an exchange between Members. As a result of that, it tends to make us all a little more careful about what we are saying. We have to think a little more about what we are doing. The net result, hopefully, will be, as time goes on, a higher quality debate. Those are the kinds of things the Committee was trying to address. In December we will have to make a decision on the rules that are presently in force.

I want to look at a few things that I think are needed. Some of them have been talked about by previous speakers. One I have not heard anyone mention, and which I think is important, addresses some of the concerns of the Hon. Member for Sarnia-Lambton. I refer to the legislative timetable. It would allow Members on both sides of the House to come to grips with some of the concerns that we have as a Parliament. It would give the Opposition an opportunity to look at legislation that will be coming forward. We would know approximately when it would be coming forward. At that point we could sit down and discuss where we want to dig our heels in and what legislation we want to go through quickly.

There would be a sense of co-operation, a sense of give and take. In Britain they have that system. It is the so-called "usual channels" system. It seems to work fairly well. There is considerable agreement from all sides of the House about the legislation to go forward. We cannot write something like that into the rules, but it is something that can be brought forward with the proper attitude. I would like to see it done.

The second point I would like to see utilized in this House is the paper that has been under discussion for quite some time by various Members of the House, the Huntington-Lachance paper. It was written by these two Members on opposite sides of the House. They have done a great deal of work. They put a great deal of effort into the concerns that we have about Parliament and this institution, having a dramatic impact on the financial control of the House of Commons or the financial control of Government expenditures. That, of course, goes into all things like Crown corporations and agencies. I think it could become particularly significant and of concern to all Canadians. That is the second matter I would like to see the House deal with. Of course, we are now dealing with it in Committee. Hopefully we will have a chance to have it brought forward and the House will have the opportunity to make a decision on it.

Third, and I will not go into much detail on this because the Hon. Member for Nepean-Carleton spoke very clearly about it, is the whole area of legislative committees, those committees which deal with specific Bills. They are set up by a striking committee. Hopefully, there will be representation of the talent on both sides of the House in relation to a particular piece of legislation. That would have a positive effect on the way that we deal with legislation, the debate put forward on it. It could be a very positive move which this House can take.

The fourth point has become really exciting. It is very important. It would have a dramatic impact on the way that we approach our committees and quite an impact on that which is so fundamental to this House, namely, attitude. I refer, of course, to the chairmens' panel. We have heard mention of it. What it boils down to is that you have several Members from both Opposition and Governmnt who would become part of the Chairmen's panel. From that panel the Speaker would choose a chairman to be the chairman of a particular legislative committee to look at a particular piece of legislation. We could well have an Opposition Member as chairman of a particular committee. What you do is break down the partisan elements of the debate and you tend to focus on good legislation. That is something this Government, this Parliament and this House was designed to accomplish in the first place.

The fifth item is really the whole matter of attitude. That is the wide-ranging authority of this House to investigate executive action and related bodies' action, essentially anything that goes on which comes under the umbrella of the Government of the country. That is what we as Members of Parliament, no matter what Party or region we represent, were elected to do. That is the whole purpose and reason for a parliamentary government.

In conclusion I should like to say that this is an important institution. It is worth protecting and worth fighting for. We have to look very closely at the danger signals. That is why I mentioned some of them in my remarks. They are in fact dangerous signals and we should look at them. They should be flagged. We have to maintain with a vigilance the responsibility which we as elected Members have to ensure that the power of authority really does rest within this House and not within a select group of people.

Mr. Harquail: Mr. Speaker, I would like to direct one short question to the Hon. Member regarding Wednesday afternoon. I agree with him about the importance of Private Members' Hour, but it does break the momentum of the regular business of the House. Would the Hon. Member be good enough to elaborate on this? He stated that he had discussed this with a number of people. I would like to hear their view about taking up the heart of the week in this way. Members travel on Mondays and Fridays. I feel it breaks the momentum of the business of the House to have this in the very important middle part of the week, that is, on Wednesday. Could the Hon. Member elaborate a little more on that? He said that Private Members' business on Wednesday was the best solution and that it was the best time. I would like to hear his comments on how it affects the continuity of the business of the House, being in the middle of the week, and his comments on having Private Members' Hour on either Monday or Friday. I support him in the fact that Private Members' business is a very important element of the proceedings of this House.

Mr. Cooper: Mr. Speaker, I appreciate the question. It is a legitimate one. I was not a Member of the Committee when the decision was made, but I know from discussions with Members on both sides of the House who were members of the Committee and Members at large that the reason for having it on Wednesday, as I mentioned earlier, was to raise the profile. In other words, putting it in the middle of the week would

make it a significant and important debate. As the Hon. Member mentioned, Members travel on Monday and Friday.

The Committee realizes that this may not in fact be working. The House will have the opportunity to look at this in December. It may want to change that rule. I hope all Members will very carefully think through the importance of this. Some of the changes that have been made are very good. Some of the things we may wish to change, such as having Private Members' hour on another day. I have no objection to that as long as we accomplish what we set out to do, namely, raise the profile of the backbench Member.

Mr. Harquail: Mr. Speaker, since this began I have observed that there is a considerable decrease in attendance in mid-week. With the location of the nation's capital here, people go to Montreal or Toronto. They come back for a day or two.

Mr. Benjamin: That is not the whole country.

Mr. Harquail: No, but it involves a significant number of Members. The Hon. Member for Sarnia-Lambton talked about trying to bring importance back to the House. We are all very much interested in that. However, it seems to be counter-productive to have Private Members' business on Wednesday afternoon. Has the Hon. Member any further comments on that?

Mr. Cooper: Once again, Mr. Speaker, I appreciate the Hon. Member's comments. I am reminded by the Hon. Member for Nepean-Carleton that the Committee is prepared to look at that matter. In fact, it is encouraging Members who have a concern to address it to the Committee. They would like to know about the various problems and difficulties and some of the purely logistical questions regarding timing. That is important. What we want to accomplish is an authoritative report. We would like to raise the profile of the individual backbencher. That is what is important, not whether it be on Wednesday or a Friday. The Hon. Member's question is legitimate. I am certain the Members of the Committee will have no trouble considering it.

• (1650)

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 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Criminal Code—Pornography—inquiry respecting ministerial action—Introduction of legislation—Definition of obscenity; the Hon. Member for Cariboo-Chilcotin (Mr. Greenaway)—Income Tax—Auditing of farmers' income—Interpretation of law—Stand taken by farmers—Minister's position—Disallowances of wife's labour; the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie)—Veterans Affairs—Review of War Veterans Allowance Act.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—PARLIAMENT

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

That this House condemns the Government for its deliberate and persistent undermining of the parliamentary process, for its flouting of parliamentary traditions and for its continuing attempts to reduce Parliament and parliamentary government to an irrelevant appendix in the formulation and application of major national policy decisions and the expenditure of public funds, and demands that the Government immediately reverse its attitude of regarding Parliament as the private preserve of the Liberal Party thus hastening the restoration of respect for and the dignity of this institution.

The Acting Speaker (Mr. Blaker): The Chair will recognize the Hon. Parliamentary Secretary to President of the Privy Council (Mr. Smith) and thereafter the Hon. Member for Regina West (Mr. Benjamin).

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am very happy to participate in this debate. It gives me the opportunity to discuss the atmosphere and climate in the House. I am a relatively junior Member of the House but I enjoy spending time here trying to learn the rules and get a feel for the House. Unfortunately I cannot say that all Hon. Members have the same interest in the House, but many who do are present today.

The motion is in the name of the Leader of the Opposition, the Hon. Member for Yukon (Mr. Nielsen) who still has one week to go before the gong rings on his current role. This gave him an opportunity to play the role of the parliamentarian, perhaps even the role of statesman. I regret that he missed that opportunity. I think he injected into this debate a tone that was not very healthy. He huffed and puffed and, in my view, misled the House in the way of a brawler, rather than a parliamentarian. I think the level of debate picked up the moment he sat down.

I thought the contribution made to the debate by the Hon. Member for Hamilton (Mr. Deans) was worth-while. The Hon. Member for St. John's East (Mr. McGrath) also made a worth-while contribution. I enjoyed the remarks of the Hon. Member for Peace River (Mr. Cooper). I thought my friend, the Hon. Member for Sarnia-Lambton (Mr. Cullen) made a contribution, as did my great friend, the Hon. Member for Nepean-Carleton (Mr. Baker).

Regrettably, however, the motion stands in the name of the Hon. Member for Yukon. We heard a lot of hollow bravado from him today. I think I should set the record straight on some of the points he made. He accused the Government of deliberately and persistently undermining the parliamentary process and flouting parliamentary traditions. First of all, he spent a lot of time complaining about the role of the Prime Minister (Mr. Trudeau) with regard to a debate on international affairs and the fact that he released a public letter on the subject of the Cruise. Let us see whether that is a legitimate point. I do not think so.

The Government House Leader (Mr. Pinard) pointed out that there are 25 Opposition days per year and this subject could have been chosen at any time and we would have had a debate in the House. There have been 11 supply days since Easter, but the Opposition always opted for something else. That is fine, but it is difficult to have it both ways. In the old days, I am told, we used to have a two-day debate on international affairs. I suggest that the Hon. Member for Yukon has a selective memory. I pointed out to him that in the early part of this session, last July, we had a two-day debate on international affairs, and that it was taken from Government time. The Hon. Member for Yukon jumped up and said that what I was saying was a crock of rhubarb. He did not dispute its validity or veracity, but he injected that silly little note into the debate. As far as I am concerned, Mr. Speaker, next week cannot come too soon if that is the level of debate we are going to get from the Leader of the Opposition.

There was also a Private Members' debate on the subject of the Cruise. The motion stood in the name of the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish). On this side of the House we gave unanimous consent to allowing that matter to go to the top of the list. One Conservative Member, I believe it was the Hon. Member for Edmonton West (Mr. Lambert) objected and so we could not go that route. When we got to the other Private Member's Bill that was set down for that day there was a vote that we go to another one, and we on this side supported that vote unanimously.

With regard to the letter the Prime Minister released, it is on record that he has received thousands and thousands of letters regarding the Cruise, so he wanted to send out a statement that responded to them in a comprehensive way. That is a legitimate action and he would probably be criticized if he threw all those letters in the garbage and did not respond. It seems that you cannot have it both ways.

The Leader of the Opposition complained about the role of the Prime Minister at Williamsburg as if this had something to do with flouting parliamentary tradition. He said it was unbecoming of the Canadian Prime Minister to play the role of an umpire between the two super powers. I think he is a little too close to the action to be objective about that. In response to questions almost daily in the House in recent months, particularly in answer to questions from the NDP, the Prime Minister has reiterated that there is Canadian Government support for remaining in NATO, and he has reiterated our support for the Western Alliance. I feel proud that the Prime Minister and the Government remain firm on our role as part of the NATO Alliance while, nevertheless, wanting to exercise a moderating influence on issues relating to disarmament.

Perhaps the world press is more objective than the press at home but it has said that the Prime Minister was one of the leading figures at the Williamsburg Summit. Quite frankly, I was proud of the role he played there.

The Leader of the Opposition complained that after we had a budget the ink was hardly dry before we had another. That is a bit of an exaggeration; it is what he said, but he is used to exaggeration. I can hardly recall a day after recent budgets when he was not on his feet demanding a new budget, so he cannot have it both ways.

The Hon. Leader of the Opposition complained that the Government is too interventionist, yet he is always complaining that we did not intervene enough with regard to unemployment. Does he think that everyone should be put on the Government payroll in order to solve unemployment? He complained that we were not intervening enough on interest rates either. Does he suggest we should be subsidizing them? Is this what we get from the Leader of a Party that is supposedly a great free enterprise Party, one that believes in market forces?

Those are the points the Leader of the Opposition made today. It was a lot of hot air and not worthy of someone who holds what I believe to be a very important position in our Parliament, that of Leader of the Opposition.

The Hon. Member for St. John's East pointed out that Parliament is in trouble. I think there are a number of reasons for that, Mr. Speaker, and I shall try to be objective. Part of the problem is that the Official Opposition has never been able to forget the last election. It has been demoralized by it to some extent; it has been divided; it has had leadership problems, and I think the outcome of the election in which this Party won all seats in Quebec but one, and was blanked out in the three most western Provinces, has to some extent contributed to regional divisions in the country. This has shown up on such matters as the Constitution and the Crow rate.

The Official Opposition has tended to distract public attention from its internal problems by precipitating crises in the House. I refer to such things as the ringing of bells, over 100 points of order, spurious questions of privilege on the Constitution and slowing down the legislative process to a crawl. Yet, if one reads the polls, perhaps it has been done with apparent immunity and impunity, because it has been doing well in the polls. I hope that Hon. Members opposite will not think that this is because of the Opposition's tactics. I think it is doing well in the polls in spite of those tactics and because we have gone through a very rough economic period. Any Government which would be in office would probably suffer the fate we have. I do not believe it is because of those tactics. I feel that when we move into a new phase, after the events of this weekend have occurred, hopefully that approach, trying to make Parliament work or not work, will be forgotten and it will be approached with a more positive attitude.

• (1700)

We have been accused of flouting the parliamentary tradition. Mr. Speaker, what is the legitimate role of the Opposition? On March 2 of last year it set the bells ringing for 14 days and 22 hours. On March 9 of this year the bells rang for seven hours and 40 minutes; on May 10, for 13 hours and 45 minutes; on May 17, for five hours and 54 minutes; on May 24, for over three hours. Is that the parliamentary tradition? I do not believe anyone who is trying to be objective about what legitimate parliamentary tactics are would defend that as falling within parliamentary tradition.

At Westminster, in the British House of Commons, which is the mother of Parliament, when the bell starts ringing it rings for eight minutes. It rings for eight minutes in the mother of Parliament, and here it rings for 14 days. Who was it that raised during the Constitution debate over 100 spurious and specious points of order and questions of privilege? It was not the Government, it was the Official Opposition. That sort of thing is unheard of at Westminster. That is not within the parliamentary tradition. I believe that the end result of these tactics has been a divisive House and bitter debates. I feel that to analyse it and attribute it all to this side of the House in a tirade such as we heard from the Hon. Member for the Yukon is not coming to grips with the problems at all; it is simply fanning the flames to make them worse.

I happen to feel that one of the biggest problems we have in this Parliament is the inability of the Government to get a reasonable legislative program through the House. What happened when we entered into the recent interim trial on reforms of the Standing Orders? This side of the House entered into those reforms in a spirit of good faith. There are a number of changes in there which could prove quite difficult and tricky for a Government. I am referring to something like the changes in Standing Order 69, Subsection 3, which obliges the Government within 120 days to report in response to a report from a committee. I believe that is a good experiment but that it can be tricky for a Government. It can be awkward and embarrassing for a Government. Notwithstanding that, we entered into that agreement.

Standing Order 46, Subsection 4, automatically refers annual reports, which are obliged to be tabled with the House, to standing committees for scrutiny, so you can get the bureaucrats and the senior mandarins in any Department before committee and ask them questions on policy formulation. I happen to feel that is a good thing, regardless of who is in power. The point I am trying to make, Mr. Speaker, is that we have entered into some of these changes.

Another experiment is changing Wednesdays so as to give an entire day to Private Members' Business. The end result of that is that there are only four days a week—and when you consider all the supply days, we are really only talking about three days a week—in which we can deal with Government business. There are disadvantages to that for the Government. I believe for Parliament as a whole it may well be an improvement. However, we entered into all of these things and, hopefully, we were going to try to get a spirit in which the legislative program of the Government would move along with some degree of reason. What happened was that instead of that being the case, we have found even more obstruction and more filibustering in recent Bills than had occurred before.

Let me go back to the period prior to the changes in the Standing Orders and look at some of the Bills. On Bill C-48 we spent six days. On Bill C-54 we spent six days. On Bill C-58 we spent five days. On Bill C-89 we spent eight days. This was all at second reading stage. That was before the experiment. We wanted a legislative timetable. In October of last fall the Government House Leader wrote the Opposition and gave it what our proposed schedule of legislation was for the fall session. In January of this year the Government House Leader wrote the Opposition and set out what was going to be a reasonable legislative timetable. In March he did the same thing with regard to a spring timetable. I can tell you, Mr. Speaker, that there has not been any meaningful effort on the part of the Official Opposition to come to some agreement with regard to a timetable.

The New Democratic Party, by and large, with the exception of the Crow Bill, has been pretty responsible and reasonable, but not the Official Opposition. What has happened since the experiment? Let us look at three very recent Bills, and I am referring to Bill C-139, Bill C-143 and Bill C-151.

Mr. Baker (Nepean-Carleton): Which ones are they?

Mr. Smith: These are the two borrowing authority Bills and also the amendments to the Income Tax Act. Of course, those who are familiar with parliamentary practice know that second reading is debate of a Bill in general principle. In Westminster, the mother of Parliament, second reading debates take one day. It does not have an automatic adjournment hour and often there is not a vote until the wee hours of the night, but it takes one day. On Bill C-139, at second reading, there were 102 speeches; there were nine Government speeches and 75 Conservative speeches. No reasonable person could deny that that was a filibuster. There were 17 speeches from the New Democratic Party and one speech from the Independent Member. On Bill C-143 there were over ten speeches on a point of order introduced by the Hon. Member for Calgary Centre (Mr. Andre) before the Bill was even introduced. When we got to the Bill there were 114 Tory speeches, 31 Government speeches and 32 New Democratic Party Speeches, for a total of 187 speeches.

Mr. Baker (Nepean-Carleton): You are trying to gag Parliament.

Mr. Smith: On Bill C-151 there were three Government speakers, and 54 Conservative speakers—54—and we are accused of flouting parliamentary tradition! There were 15 New Democratic Party speeches. There was a total of 72 speeches, of which we on this side provided three, and there were 54 Conservative speeches. Who is being unparliamentary?

I would like to refer to a speech given by the Late John Diefenbaker in 1949 to the Empire Club of Canada. He said this:

> If parliament is to be preserved as a living institution, His Majesty's Loyal Opposition must fearlessly perform its functions. When it properly discharges them the preservation of our freedom is assured . . .It finds fault; it suggests amendments; it asks questions and elicits information; it arouses, educates and moulds public opinion by voice and vote. I must scrutinize every action by the government.

Mr. Diefenbaker concluded:

> I would like to conclude by emphasizing that the opposition, whatever its policies and tactics may be, shares with the Government and, of course, with the electorate, the responsibility of making our form of democracy, based on parliamentary institutions, work for the welfare of all the citizens.

Mr. Baker (Nepean-Carleton): Diefenbaker is absolutely right.

Mr. Smith: I would like to refer to the comments of Sir Ivor Jennings, the great constitutional expert, when he talked about the Opposition. He said this:

> The Opposition's task is not to prevent the Government from carrying out its policy but to criticize that policy in the hope that the electors will choose a different Government next time.

Mr. Baker (Nepean-Carleton): Ivor Jennings is right also.

Mr. Smith: I could go on quoting from Sir Ivor Jennings. However, it is important to realize that the Opposition has a very responsible role to play which, quite frankly, under the leadership of the Hon. Member for the Yukon, it has not been living up to. I feel that he has not been a positive influence. It is not the Government, Mr. Speaker, which has tried to prevent debate in this House. It is not the Government which has refused Hon. Members the right to vote. It is not the Government which has refused to allow Bills to be introduced, and it is not the Government which rang the bells for over two weeks, although we are not without fault. We have entered into these recommendations as an experiment.

I believe that the point made by the Hon. Member for St. John's East with respect to Ministers' statements is a valid one. I feel that if we could come to some reasonable agreement on whose time it would be taken from, if anyone's time, perhaps we could see more of that. However, there must be a desire on the part of every person in the House to make Parliament work for the benefit of all Canadians. I for one am very anxious to see that happen. I for one am anxious to see us perhaps enter into a new era, after the events of this weekend have occurred, regardless of what the outcome may be. Can we not pull together and try to give Canadians a House which functions, a House which works, regardless of our partisan differences? Some of these points which have been made have been valid, but when the Official Opposition is putting up over 100 speakers on Bills—and we have had three examples of that in recent months alone—no one can suggest for a minute that that is not probably the most outrageous flouting of parliamentary tradition which we have ever seen in the House.

• (1710)

So, Mr. Speaker, I think this motion standing in the name of the Hon. Member for Yukon has brought about useful debate. I think his contribution to it was very negative. I do not regret the fact he will not be in that role next week because when he is gone I hope we will have an occupant of that seat who will approach this House with a positive attitude and, in contrast to the Hon. Member for Yukon, try to make it work.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I notice my friend referred to the speech of the Hon. Member for St. John's East (Mr. McGrath) and the problem with respect to ministerial statements. I take it he is anxious that there be some way in which this would be preserved, and the Government wants to preserve it but not at the price of losing legislative time. Let me just say that I am not going to lay a trap. I happen to agree with that. I was Government House Leader once and I understand the concern over time, but I also think there is some importance to Parliament that statements be made in this House rather than outside at press conferences and in other places.

Would the Parliamentary Secretary agree that it is reasonable for us to consider, having regard to the fact that we have vacant time, so to speak, at nights, that statements might be made in the latter part of an afternoon, after markets have closed if necessary? It could be perhaps at 6.30 or 6 o'clock, perhaps during the period of the adjournment debate. Would he agree that we begin the practice of having statements made in the House, perhaps using the free time which the rule changes have made available to use for House time for a limited purpose and without interfering with the work of committees?

Mr. Smith: Mr. Speaker, I would like to thank the Hon. Member for that question. I think the point he makes is a valid one. I think it is desirable to have more major policy statements made by Ministers in the House. But in order to do that we have to have a reasonable agreement that this is not taken from Government time. The current system is such that by and large if we were to have Ministers make statements on either Opposition days or private Members' days, the Hon. Member knows full well that there would be an outcry.

The real problem is that in order to reach an agreement there has to be a mood, atmosphere or climate of good faith and good will on both sides of the House. Until there has been a demonstration of that on the part of the Official Opposition with regard to second reading debates, where they are not putting up 50, 60, 70 or 80 speakers, I am afraid I could not sell that to my colleagues. I had to work quite hard to sell this experiment to some of my colleagues on this side of the House. The Hon. Member knows that. I did it because I believed in it, and I would happily do the same thing again, but I say to the Hon. Member that in order for that to be brought about we need some reasonable attitudes to be shown on the part of the Official Opposition with regard to second reading debates. This sort of obstruction—and it is on the part of the leadership, not the rank and file; I am not accusing anyone present in

this House of doing that—where the House Leader and the Whip are told to go and round up 30, 40 50 speakers for second reading debates on numerous occasions, and anyone who looks at *Hansard* knows that is the case, that has to stop if we are going to have a climate in which we can achieve some of these worth-while things suggested by Members such as the Hon. Member for Nepean-Carleton.

Mr. Les Benjamin (Regina West): Mr. Speaker, I want to participate in this debate because some parts of the motion I can agree with, but for entirely different reasons than those put forward by the Leader of the Opposition (Mr. Nielsen). The motion refers to the Government's:

—deliberate and persistent undermining of the parliamentary process—

I do not know about the word "deliberate", but it certainly has been persistent. Quite often it might have been only by accident because Members opposite did not know what the hell they were doing. The motion continues:

—and for its continuing attempts to reduce Parliament and Parliamentary government to an irrelevant appendix in the formulation and application of major national policy decisions—

I want to start off, Mr. Speaker, on the premise that we are sort of a child or creature, successor or inheritor, of the British parliamentary traditions and practices. But over the past four or five years I do not believe there have been any statements by Ministers on motions. There is the matter of Cabinet Ministers being present to answer questions in the House. It seems to me that a Government of whatever political stripe has to be forthright and forthcoming, and it should present a policy or Bill to Parliament first before anyone else. The practice, which has become somewhat endemic over the last several years, of holding press conferences and flitting around the country to announce the Government's intentions surely can be nothing more than a depletion and may be an accidental, if not deliberate, downgrading of Parliament and the parliamentary system.

I submit that when the Government refuses to announce policy in the House of Commons and chooses instead a press conference across the street or somewhere else in the country, it in fact becomes a victim of its own actions and the complaints, as has just been enunciated by the Parliamentary Secretary to the Government House Leader, about the Opposition taking up inordinate time making speeches, have been incited by the Government. A Minister could have got up in the House, the Minister of Transport (Mr. Pepin) or the Prime Minister (Mr. Trudeau), and announced the Government's policy and intentions regarding the statutory grain rates. I recall under Speaker Lamoureux and for a while under Speaker Jerome that the Minister made a statement, it took him 10, 12 or 15 minutes, and one spokesman from each Party responded for not more than the same length of time, but most often less. One or two questioners from each Party could ask questions of the Minister. I am quite agreeable to our setting aside one hour for one, two or three days a week for statements by Ministers, and we used that time to obtain in Parliament first the Government's policy and legislation. I have often wondered whether there should not be some questions at first reading, but I will leave that aside.

Going to another aspect, Mr. Speaker, I often wonder what would happen if we could reach unanimous agreement that none of us will make a statement or announcement or send out a press release until we actually did it in the House of Commons. There would be a few exceptions to that on minor details when a backbencher wanted to send out something to his constituents and the local media about a private Bill he is proposing. It would be interesting if the Press Gallery had to wait like MPs do on both sides of the House to hear what a Minister has to say at a press conference in Winnipeg or Gopher Gulch or wherever else. But there is the media getting the news while MPs are sitting down here wondering what it is he is going to say. Surely a Government of any political stripe doing that is evading and avoiding the parliamentary system. In fact, I submit that the Minister of Transport would have had much less difficulty if he had been more forthright and forthcoming in this Chamber over his proposals on Dominion coal lands, rial line upgrading, statutory grain rates, and if his four predecessors—and I have been through five Ministers of Transport since I have come here—had been more forthright and forthcoming in this Chamber. They would have had a lot less difficulty in subsequent dealings with whatever it was he was bringing forward in Parliament.

• (1720)

It seems to me, involving the matter of the presence of Cabinet Ministers, that there is an onus on Members of the Opposition, as a matter of courtesy as well as for the sake of obtaining information, to give notice of it to Cabinet Ministers. If it is something that just came up in the hour before Question Period, it could be a hurried phone call or a note across the floor. If it is a matter in which one has tried, through one's caucus, to be recognized in Question Period for several days, one could give several days' notice. However, once the notice is given, the Minister should be here to answer or he should provide the answer to the acting Minister or to the Parliamentary Secretary.

It is common practice and knowledge amongst Members of the Opposition and, I suspect, amongst backbenchers on the Government side, that if the Minister to whom one wants to direct a question will not be present that day, one will not ask the question. We have all phoned up a Minister's office to ask whether he will be present during Question Period that day. If he will not be there, one will not ask a question because otherwise it is a totally wasted question. Lord knows how many more days it will be before one is recognized. Therefore, the presence of Ministers should be a requirement, particularly when they know, either by notice or because of something very obvious, such as a disaster, that they will be asked questions the next day by the very first questioner. I appreciate the fact that Ministers cannot plan their schedules very well, but who the dickens can in our type of job? It is part of the hazards of the occupation.

I also want to suggest that when a Party House Leader makes an alternative proposal to the other House Leaders, it is worthy of at least the courtesy of a reply, which, by the way, our House Leader has yet to receive to a letter which was written something over two weeks ago to the Government House Leader on Bill C-155. Whether they like, dislike or are willing to discuss the alternate proposal, they should have done it.

I do not want the Progressive Conservative Party to become all that holy on a matter of bypassing Parliament. I have done a little research since I received notice of the motion yesterday. For example, on September 6, 1917, the Robert Borden Government of the day took over the Canadian Northern Railway by Order in Council and there was no statement on motions and there were no announcements of any legislation, so there is nothing unusual about this matter. It goes back a long time in the Canadian Parliament. It does not go back a long time in the British House. Therefore, the practice here has been endemic for decades. In fact, it not only took over the railroad, but it also appointed a board of directors. By Order in Council, it appointed a board and amalgamated Canadian Northern Railway with other Government-owned railroads. It was not until almost three years later that it brought in legislation which formally announced Government policy about the Canadian Northern Railway. If one wanted to do some more research, one could come up with countless instances of the Conservative Party in the House when it was governing doing just as well as one could expect from the Liberal Party. Therefore, it is a case of the pot calling the kettle black, and they both need a thorough cleaning.

Parliament must be primary. It must be first. Anything a Member of the Government wants to do should be said here, first, before anywhere else. If he wants to hold a press conference an hour later or go out and speak at a public meeting and issue written statements, that is fair ball. I think the same applies to Members of the Opposition.

Frankly, considering the way all of us turn out press releases here, most of which are not covered, and if they are covered, most of them are at the back with the hemorrhoid ads in the fourth or fifth section of the paper. When I think of the amount of time we spend doing that, when we save that material for presentation in Parliament as and when the opportunity permits, we should make the gallery do its own work for a change instead of MPs and Cabinet Ministers having their staffs writing the copy. I would like to see how good some writers would be if they had to sit down and write out their own stuff.

However, the main point of the motion is that through habit, through the efforts to obtain political advantage, through reasons of secrecy, most of which are totally devoid of any kind of reason or validity, Governments in the Parliament of Canada have made deliberate or other kinds of efforts to detract from Parliament, to govern by public relations exercises. They have tried to manipulate the media which, in turn and as a result, would deliberately or inadvertently end up trying to manipulate public opinion. The media should obtain its coverage from what occurs in Parliament and obtain further follow-up coverage as a result of what occurs in Parliament. Would Governments use advertising agencies, press conferences, consultants who divulge reports before Parliament knows about them or has an opportunity to ask about them? Surely that is some kind of denigration of the parliamentary process.

I think that there is an onus, first, on the Government, because it is the one which initiates. Except for Private Members' Hour and the odd motion by unanimous consent, only the Government can initiate. However, there is also a responsibility on Hon. Members in the Opposition Parties to conduct themselves in the same manner, through notice to Ministers, presenting a Bill for first reading, making a speech in the House in debate, which does not go out to anyone else until one has started making a speech. Therefore, there is a responsibility on both sides to make this place function in somewhat the tradition of the British House, although it cannot be exactly the same.

The subject of the Estimates was mentioned by the Hon. Member for Sarnia-Lambton (Mr. Cullen). We all know that that is a total exercise in futility. Committees are not provided with the expertise to really go into what is behind those numbers and those man-years. One can move to remove an Estimate by a certain amount or reduce it to a dollar, and that might be fun and games in the committee. It would be interesting to see what would happen if a Government Member felt free to reduce an Estimate because of an item that he thought to be inappropriate, and one which some Opposition Members thought to be appropriate. Estimates would be dealt with in a much more neutral and effective manner.

I believe it was the Hon. Member for Nepean-Carleton (Mr. Baker) who used the word "neutral". Around here, neutral is like trying to be half pregnant. There ain't no such thing.

Mr. Baker (Nepean-Carleton): At the moment.

Mr. Benjamin: There ain't such a thing, and there hasn't been since I came here in 1968.

Mr. Baker (Nepean-Carleton): We always hope for improvement.

• (1730)

Mr. Benjamin: I suggest the question concerns neutrality versus accommodation. I would rather use the word accommodation because it would be totally in error to expect any person in this place to be completely human and neutral on any subject raised here. A Member might try to have a balance of bias, but he will not be able to be neutral. Therefore, I suggest that the word "accommodation" is more suitable.

There are rare occasions in Parliament when one or more of the Opposition Parties will go to extraordinary lengths to take what appear to be obstructionist measures such as filibustering. My colleague, the Hon. Member for Hamilton Mountain (Mr. Deans) made a very appropriate remark earlier today

when he said that the Opposition not only has a duty to oppose and question but also the obligation to propose. The Opposition has a responsibility to try to accommodate.

I can think of some other examples besides Bill C-155. I think of the Criminal Code amendments in 1969 and 1970. I think of the War Measures Act of 1970 when attempts were made at accommodation. I am reminded of the first grain stabilization Bill when my Party, I think with deliberate honesty, put up speakers and had the same Members speak again a second and third time. We took the Government to court and it had to withdraw the Bill. When occasions like this occur only four times in 15 years, it can hardly be called abuse by the Opposition. Even under the British rules the Government may be intent upon passing legislation that is so exceptional that the Opposition has no other choice but to use whatever method it can under the rules to obstruct or prevent a Government from taking that action.

Like my colleague, the Hon. Member for Hamilton Mountain said, simply because the Government has the majority does not mean that it has that majority every day on every issue all year around. I am sure the Hon. Member for Nepean-Carleton would agree with that as a result of episodes in 1979. In fact, the most outrageous and disastrous statement of policy ever made by a Prime Minister in this country occurred in June of that year when the then Prime Minister said in a minority Parliament that he would govern as though he had a majority. I phoned the Hon. Member for Winnipeg North Centre (Mr. Knowles) to ask what that meant. He said, "That means that this Parliament will not last very long." He was perfectly correct. A Grade 6 social studies student would know that if you have a minority Parliament you cannot govern as though you had a majority. I hope those who are the manufacturers of their own demise should have learned something from that, although I predict that they will be condemned to repeat it following this weekend.

If there is anything Parliament should know it is that the tail cannot be wagging the dog. No longer can heads of Royal commissions, Department heads and deputy ministers make announcements and speeches which should properly first be made by the Minister in charge in this place. Whatever happens after that is fair ball.

My final point, which I make for the benefit of the Hon. Member for Sarnia-Lambton and the Parliamentary Secretary to the Government House Leader (Mr. Smith), is that omnibus Bills incite many speeches. Our written proposal to divide Bill C-155 into three parts would reduce the number of speeches on two of those parts incredibly. It could be dealt with and become law of the land by June 30. Similarly, when the Official Opposition succeeded in having the Government divide a Bill into several parts, it was amazing how quickly some of them passed. The minute the Government tries to cover the waterfront in a piece of legislation, do they expect the Opposition to sit back and vote in principle for two items which they may favour while also voting for three or four other items which they do not like? That is too much to ask and is the reason why the word "accommodation" should be used instead of "neutrality".

I submit that that accommodation can be arranged. We could even start with Bill C-155. There are several other proposals that the Government is contemplating. It is trying to include matters in the same Bill which are not remotely related. When it does that, the number of speeches will multiply, which is a natural reaction which can be expected from any Opposition that is worthy of the name.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I wish to make a comment. I think that my hon. friend has misinterpreted what I said in the course of my remarks. I want to make sure that the record is clear.

He talked about the issue of neutral chairmen of committees. He said that he would rather deal with this under the term "accommodation". I can understand the use of accommodation between House Leaders and amongst Parties in terms of what might happen to a Bill. But I want to make it clear to him that the use of the term "neutral" or "neutrality" was used from the point of view of the attitude that would prevail by the chairmen of parliamentary committees. I did not mean that a Member of Parliament who was chosen chairman of the legislative committee from a panel of chairmen would hang his principles on the coatrack before coming into the House of Commons. In terms of the operation of a committee, the hearing of witnesses, the witnesses who would be called and the interpretation of the rules of order, he would be seen as a person who was fair, neutral, and who would not choose sides in a manner similar to how the speakership of the House has traditionally operated.

We made that proposal in the hope of accommodating that situation. It was not to say that the Member who was chosen would have no opinions about the principles that were established in the Bill. Certainly he would. However, the committee would be conducted in such a way that even those who lost the day in terms of the argument in the committee would ultimately be able to say that the committee was conducted and the work of the chairman was done fairly, evenly, and that justice was not only done but seen and felt to be done.

I wanted to make sure that my friend understood that and that the record is clear on what the special committee meant and what I meant when I used the words "neutral chairman of legislative committees".

Mr. Benjamin: Mr. Speaker, I appreciate the remarks of the Hon. Member but they fly in the face of the motion moved by the Leader of the Opposition. It has certainly been my experience in the number of committees on which I have sat that they have been neutral in terms of their operation and interpretation of the rules. I have seen Government appointed chairmen of committees rule Government Members of the committee out of order. I remember the 1972-74 minority Parliament when the former Hon. Member for Crowfoot was chairman of the Transport Committee and I was vice chairman, that we had a majority over Government Members on that committee. On one of the few occasions that I chaired a

committee meeting, I had to rule out one of my own colleagues. Surely that neutrality is in place and it must be assumed that any Member from whatever side is seen to be and is in fact neutral when chairing a meeting and enforcing the rules.

• (1740)

I think that begs the question of what is in the motion. The motion says that the Government—and I submit not only this Government but many previous Governments—has bypassed Parliament. I agree with that portion of the resolution. The practice of giving press conferences and everything else avoids and evades not only the House of Commons but also committees. Surely that is where the responsibility lies, first on the Government because it initiates policy and legislation, and second, on the Opposition Parties because they too have a counter-responsibility not only to oppose but to propose. This is where the word accommodation comes in. Again the Government, because it can initiate legislation, has the responsibility more often than not to make the first move to accommodate. There is almost an equal responsibility on the part of the Opposition Parties to make moves to accommodate so as to get the business of Parliament done faster. Too often when we have tried to do that we did not even get the courtesy of an answer. Surely that is what contributes to the 100 and some speeches about which the Parliamentary Secretary to the President of the Privy Council (Mr. Smith) was complaining. What does he expect Members of the Opposition to do, just lie down, not say anything, give up and cry? Of course not. We have no other choice but to do what can be construed by the Government and some of the media as obstruction. What other choice do we have if the Government is not willing to accommodate? It seems to me that that word "accommodation" could overcome much of what is in the motion put forward by the Leader of the Opposition.

The Acting Speaker (Mr. Blaker): The previous occupant of the Chair indicated to me upon my arrival that the appropriate order of recognizing hon. Members would be for the Chair to see the Hon. Member for Rosemont (Mr. Lachance) and then to see the Hon. Member for Esquimalt-Saanich (Mr. Munro). I know of no understanding between Hon. Members that might affect that agreement. But obviously there is not enough time for both Members to speak in light of the total time available. I would assume that some accommodation has been made. I have already indicated that that is the assumption on which I was working. I will recognize the Hon. Member for Rosemont. Of course, if an Hon. Member wishes to rise on a point of order, I will hear him.

[*Translation*]

Mr. Claude-André Lachance (Rosemont): Certainly, Mr. Speaker. I am prepared to give my colleague half the time we have left, if he agrees.

In the hallway, on my way to the House, I noticed the Hon. Leader of the Opposition (Mr. Nielsen). He was alive and well, and what better proof of an old French saying, which translates as: Being ridiculous is not a fatal affliction. I must say that the motion moved by the Hon. Leader of the Opposition comes as somewhat of a surprise from a former House Leader who has more or less invented a new dilatory tactic for which there is no parliamentary remedy. At the end of my speech I intend to get back to this problem of using the bells and refusing to come in for a vote as a dilatory tactic. First, however, I would like to indicate the principles according to which the House operates and, more particularly, the two linch pins of our proceedings, namely, the Standing Orders, which, as everyone knows, have a number of deficiencies and which are being scrutinized by a special committee in an attempt to provide appropriate remedies, and the attitudes of Members on which depends the ability of this House, on a day-to-day basis, to reach a consensus on the most appropriate manner of conducting its business.

As far as procedure itself is concerned, the Special Committee has already tabled an interim report, and many of the recommendations proposed by Committee Members are now part of the Standing Orders, at least on a provisional basis.

I would like to spend a few minutes on one aspect of our Standing Orders and parliamentary practice that is now being studied by the Special Committee and regarding which recommendations may be made, we hope, in the not too distant future. I am referring to the Government's obligation to be accountable to Parliament, with respect to its finances. Mr. Speaker, Hon. Members will be aware that a sub-committee of the Special Committee—a sub-committee of which I have the honour to be a Member and which is known in our parlance as the Huntington-Lachance Committee has formulated a number of recommendations for the Special Committee which are aimed at making the Government accountable to the House and at giving Parliament the mechanisms it needs to deal with this accountability in an appropriate manner.

I hope that once again, the Committee will be able to submit recommendations that will receive the support of the House and its Members, but I would like to add that it is essential that Parliament should improve its ability to exercise this basic parliamentary right, namely, to oblige the Government to account for its finances.

Since the Lambert Commission made its proposals, which led to a new system for tabling budget votes, Hon. Members have been able to obtain information from the annual Estimates tabled by the President of the Treasury Board in a more easily digestible form. The Estimates are now published in three volumes. Part I explains Government expenditures in terms of Government envelopes, for instance, a social envelope, an economic envelope, and so forth, which gives a better idea of the priorities set by the Government in each of these major areas of Government activity. Part II provides details on votes being submitted for approval by the Government, such as person-years and technical resources, including the capital expenditures required, and finally, Part III provides a detailed

breakdown of programs and a detailed analysis according to comprehensive audit principles.

Parliament, however, has not adjusted to this new formula for submitting the Government's expenditure proposals. Because of the obsolete operating procedures of its parliamentary committees, although they only go back to 1968, Parliament lacks the instruments it needs to carry out a proper analysis of all three parts of the estimates, and I would especially like to draw to the attention of the Chair the absence of any appropriate procedure for consideration by envelope, something none of our parliamentary committees can do as things stand now.

In any event, I hope that the Special Committee will be able to make recommendations to the House that will eventually provide Parliament with better ways of digesting, analyzing, criticizing, and reporting back to the House on, Government expenditure proposals, and as far as I am concerned, I think the Committee should be able to do so fairly quickly.

However, procedures are only one aspect of the parliamentary process, which is now relatively well covered by the work of the Special Committee, and, in fact, I think all Members of this House are anxious to modernize this institution.

Attitudes are another aspect altogether. Unfortunately, attitudes cannot be regulated, and as my colleague, the Parliamentary Secretary to the President of the Privy Council (Mr. Smith) commented earlier, the atmosphere in this Parliament is pretty tense. How it got that way? I will let Hon. Members answer that question! In the past 18 months, the harmful atmosphere prevailing in the House since the beginning of this Parliament has given rise to novel dilatory tactics that are prejudicial to parliamentary life. Let me explain what I mean.

• (1750)

On the one hand, the House is a deliberative assembly. Everybody has to agree with me on that point. We are here to debate, to discuss proposals introduced either by the government or by private members, either to amend pieces of legislation, to propose new measures or to discuss the proposals or financial plans of the Government.

Unfortunately, a new dilatory tactic has been introduced in addition to all those already allowed under our rules, of which, needless to say, there is quite a number. This new dilatory tactic is aimed, for all practical purposes, at preventing the House from playing its fundamental role, namely to debate.

In this regard, I only have to recall what occurred recently and what is still occurring in relation to the government's proposals for the Crow rate because one party in this House has decided not only that it objects to these proposals, which it has a perfect right to do, not only that it objects in principle to these proposals, which is its privilege, but also that it objects to debating them in this House. Once again, I know that there are always two sides to an issue, and as the previous speaker said earlier, there are reasons for this, and the fact that a time allocation motion appeared on the Order Paper has perhaps prompted some members to even refuse to debate the matter.

The fact remains, Mr. Speaker, that in some cases this House is no longer even a deliberative assembly because some members or parties prevent us from deliberating. This is an extremely dangerous trend on which we should all reflect individually because no committee of this House, whether a special or a standing committee, can codify or regulate attitudes.

The second basic characteristic of a legislative assembly is that its deliberations must lead to a conclusion. That is normal, the people expect us to take decisions. So the second strategy which has been developed is to prevent the House from reaching a conclusion once its deliberations are over. The Opposition resorts to a "technicality" of the Standing Orders which stems from a new interpretation given in Beauchesne's Fifth Edition. Unfortunately I do not have time to quote it because I want to leave a few minutes for my colleague to close the debate. I am referring to an interpretation of the Standing Orders, or a codification of a practice if you will, which does not exist, at least not in Beauchesne's Fourth Edition, namely the whips walking up the aisle to signal the Chair that the House is ready to vote. In Beauchesne's Fourth Edition—I am trying to rush, Mr. Speaker—it was the Sergeant-at-Arms who was designated as the one who walks up to the Chair to say that the House is ready to proceed with the vote, whereas in Beauchesne's Fifth Edition the two whips, the Government's and the Official Opposition's, do that. That new interpretation has made it possible in some instances to delay the vote indefinitely by keeping the bells ringing, and the saddest and best known example is obviously the bell ringing incident which lasted for ten days.

In my opinion, Mr. Speaker, there are reasons for that strategy, that dilatory tactic to which, I repeat, the Standing Orders offer no answer. There may be a way out through the residual powers of the Chair, but that is another question. With respect to our attitudes, Mr. Speaker, we will be unable to achieve a real parliamentary reform and the House will never again be a deliberating assembly where decisions are taken unless we act as responsible parliamentarians who accept those two essential roles in our work as legislators.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, before I begin my remarks, I want to commend my colleague from Rosemont (Mr. Lachance) for acting like a true parliamentarian. He has agreed to share the time remaining in this debate so that both of us would be able to make a few comments on the problem under study.

[*English*]

The motion before us is in a way a deception. I will tell the House why. I was brought up in the tradition of MacGregor Dawson and Alexander Brady, in the belief that Parliament

was a responsible agency, that the responsibility of the Government should make itself manifest and that it was the responsibility of the Opposition to ensure that that responsibility was fulfilled. I find that is not the situation today. I will come to the area of Crown corporations because to my way of thinking it is the most outrageous demonstration of the manner in which the parliamentary process is being endangered through the multiplication and proliferation of Crown corporations.

From my academic beginnings under the guidance of MacGregor Dawson and Alexander Brady, I was led to other authorities from Elizabethan times, Coke and also Blackstone from the eighteenth century, both of whom I have read. This gave me a feeling that when I came to Parliament I would find an institution which was responsive and responsible and that the notion of responsibility would be amply displayed. Today I find that is not the case, and that is where my feeling of deception is. It is unfortunate that we have to put forward a motion of this sort.

I would like to refer to the Lambert Report which was prepared in 1978 or 1979. In the opening of Chapter 21, Mr. Lambert, a Royal Commissioner charged with looking into the matter of financial management and accountability, reported:

> Accountability is the working principle of our parliamentary system.

That is as simple as can be. It should be that way. He continued:

> Therefore, we have chosen to end our Report with our conclusions about Parliament's role in the accountability process, for it is in that institution, as our mandate foresaw, that accountability culminates.

On page 370 he referred to the relations between governments and parliaments. He indicated:

> This means that the relationship is so unequal that the principles of responsible government, while still generally accepted, are in danger of becoming irrelevant to the actual situation.

That is the danger I foresee and that is what brought this motion forward. Then on page 371 he said:

> —we have concluded that ways must be found to improve the accountability of the Government to Parliament and its committees.

That is what I deplore, the deception of coming to Parliament and finding that it is not responsive to popular need, nor responsible to the Opposition, in its governing and its expenditure of public funds.

For example, in three years in this session of Parliament—and we are now getting into the fourth year—we have been asked to approve authority for the Government to borrow over $73 billion, which is about $24 billion for each of those years. The most recent Bill did not give us any indication of how that money was to be spent. That is not responsibility, and that is what worries me. That is why today we had to bring forward a motion of this kind. The motion says that we are in danger of losing this institution which has grown up over the last 700 or 800 years, gradually developing a responsiveness to public need and demand, and also the institution of give and take across the floor. Principally, the notion of responsibility in Government is to be accountable to the Opposition and to the country. The accountability is not just on election day. It is throughout the life of Parliament. That is what I find so unfortunate, and that is what the Hon. Member for Rosemont (Mr. Lachance) was saying. He wants responsibility to be restored to this House. He is seeking in that Special Committee, along with my colleague for Nepean-Carleton (Mr. Baker), a means whereby responsibility can be restored.

• (1800)

I see that the hour approaches. I have many more comments to make, but I do appreciate the division of time which permitted me to say these few words. At least I got that part of it in.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CRIMINAL CODE—PORNOGRAPHY—INQUIRY RESPECTING MINISTERIAL ACTION—INTRODUCTION OF LEGISLATION—DEFINITION OF OBSCENITY

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, my question on pornography in broadcasting was answered by the Minister of Justice (Mr. MacGuigan) who said that he was considering amendments to the law of obscenity which would apply everywhere, including broadcasting. He said this was a better way to proceed than attempting to segment particular areas and to have a special law which relates to them. This response is inadequate.

Where special problems exist, special laws are needed. There are already well demonstrated problems with pornography in broadcasting. Broadcasting happens to be a highly regulated media. There are regulations for patent medicines, drugs, booze, children's advertising, religious broadcasting, politics, lotteries, how venereal disease can be discussed, and birth control, but not, in the case of Pay TV at least, pornography, a rather important item that is missing from the list of regulations.

[*Translation*]

Radio and television broadcasting regulations now forbid abuse on grounds of race or religious beliefs. However, abuse on grounds of sex—in other words, abuse of women—is acceptable to the CRTC. Children are also victims of sexual abuse, but pornography's main victims are women. Could anyone imagine a religious minority being abused in the same way as women are abused by pornography? Take, for instance, anti-Semitism. Unfortunately, it does exist in our society. Could anyone imagine anti-Semitic pornography? I shall give you a sketch. For three hours every evening, late enough to keep children from watching, TV programs are broadcast in which Jews appear naked and non-Jews are dressed. Jews are

stupid, non-Jews are intelligent. Jews are abused. Jews submit to non-Jews, Jews are beaten, by non-Jews. Jews kneel before non-Jews. Non-Jews carry whips, knives, pistols and other arms. Jews have none. Jews dance naked in front of non-Jews, while their bodies are looked at and commented upon. Jews are obliged to give the impression they enjoy this kind of treatment, that they are naturally submissive to non-Jews that they are unworthy. Finally, some Jews are raped, tortured and killed by non-Jews. Their fear and suffering are shown, while non-Jews are laughing and having a good time. That would be pornographic anti-Semitism, and we could not imagine seeing this on public television in Canada. But suppose the Ku-Klux-Klan happened to get a pay television licence? What would the CRTC's response be? "If you do not like anti-Semitism, switch channels, do not subscribe", or would we get this answer from the Minister of Communications (Mr. Fox): "Censorship is socialism?" I do not think so. One would expect a better answer from the CRTC and the Minister. However, abusing women seems to be acceptable to the CRTC. The Council is against censorship as far as women are concerned. It does exercise censorship in many other areas, such as commercials that are directed to children, drugs, alcohol, religious broadcasts—areas it thinks are more important than protecting women against abuse.

• (1805)

[*English*]

The problem of pornography is growing; qualitatively and quantitively it is getting worse. What is the correct role for the Criminal Code in the control of pornography? The Criminal Code must be the base, I suggest. It must give a clear and reasonable definition. The current Code is not clear on what constitutes undue exploitation of sex, and the courts have interpreted it in a way that is objectionable to many Canadians. They have included scenes that are frankly sexual but are not abusive or coercive.

In my view, a good definition would specify excessive violence, coercive sex, degradation of human persons, the sexual exploitation of children and bestiality. In the latter two cases the understanding is that children and animals, by definition, cannot give consent. Even if there were no explicit violence, these would not be allowed.

The Criminal Code badly needs repair but it is not only the Criminal Code that needs repair. The broadcasting regulations for television and radio forbid programs that are profane, indecent or obscene, but no penalties are specified. Penalties must be made clear and applied to Pay-TV as well. It should be a condition of licence to respect the guidelines of sex stereotyping in the broadcasting media. A conviction for obscenity should be grounds for revocation of licence. A $300 fine is not going to stop pornography in any part of our society. Violence against women in our society is a serious problem. It is time the Minister of Justice took his responsibilities seriously and worked with the Minister of Communications (Mr. Fox) to ensure that there are adequate laws. The time, Mr. Speaker, is now.

Mr. Henri Tousignant (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am pleased to respond to the Hon. Member for Broadview-Greenwood (Ms. McDonald) on behalf of the Minister of Communications. We understand her concerns very well.

The issue of pornography is a matter of grave concern to us all. The Broadcast Act was adopted unanimously by Parliament in 1968. The Broadcasting Act provided for the regulation of broadcasting by the CRTC, placing this agency at arm's length from the Government of the day. Even at that, the Broadcasting Act also places primary responsibility for the content of programming with the broadcaster. Section 3(c) of the Broadcasting Act says:

> All persons licensed to carry on broadcasting undertakings have a responsibility for programs they broadcast but the right to freedom of expression and the right of persons to receive programs, subject only to generally applicable statutes and regulation, is unquestioned.

This system of self-regulation has on the whole over the years proven effective. By and large, broadcasters have exercised responsibility in choosing programming for broadcast. Broadcasters who do not, face the possibility of criminal prosecution.

The CRTC is attempting to extend this self-regulatory principle to pay operators and, as Hon. Members will recall, has had meetings with the pay-television licensees to develop a voluntary code. Dr. Meisel informed Members of the Communications Committee of this during his appearance on May 26.

As the Broadcasting Act says, this freedom of expression should be subject only to generally applicable statutes and regulations. The Criminal Code is a general law of general applicability. The Criminal Code defines obscenity. If a broadcaster does not behave responsibly and does carry pornographic material, he is in violation of the Criminal Code and subject to the penalties therein.

• (1810)

Very recently the Minister responsible for the Status of Women announced that, in consultation with the Minister of Communications (Mr. Fox), the Government was funding a voluntary body established by the National Women's Organization called "Media Watch". The purpose of "Media Watch" is to monitor and evaluate over a two-year period the self-regulatory standards implemented by the broadcasting and advertising industries. As the Minister of Justice (Mr. MacGuigan) indicated to the Hon. Member for Broadview-Greenwood during Question Period on May 16, the Government is considering amendements to the law on obscenity which, of course, will affect that law wherever it is applied, broadcasting or anywhere else. The Minister intends introducing these amendments in the immediate future. It is hoped that the New Democratic Party will support amendments to the Criminal Code on obscenity this time. It rejected proposed

amendments on child pornography proposed by the Minister of Justice last June.

INCOME TAX—AUDITING OF FARMERS' INCOME—INTERPRETATION OF LAW—STAND TAKEN BY FARMERS—MINISTER'S POSITION—DISALLOWANCE OF WIFE'S LABOUR

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, I wonder how long it is going to take this Government to realize that the Department of National Revenue is running amuck and harassing farmers under Section 31 of the Income Tax Act? I hope I receive answers from the Parliamentary Secretary tonight, rather than answers from some bureaucrat who has written those answers for him.

The last time I asked this question I received an answer from the Parliamentary Secretary I had mentioned in my question that Revenue Canada auditors have no agricultural experience. I would like to quote what the Parliamentary Secretary said to me and I quote from page 25215 of *Hansard* for May 5, 1983:

> The Hon. Member has also commented on the qualification of the auditors performing the audit. In this regard I would like to say that the Department's auditors have the know-how to determine the profit or loss of an enterprise.

I challenge the Parliamentary Secretary, Mr. Speaker, to find five auditors in the Department who know one end of a cow from the other.

Today I asked the Minister why it is that farmers and chartered accountants who, according to Revenue Canada auditors, in past years have obeyed the tax laws implicitly are now suddenly finding that the interpretation of those laws has been changed by the Government? I should now like to read from parts of a few letters I received from farmers, and I would like to show the Parliamentary Secretary my file. This is some of the correspondence which I have on this issue. It is an issue which goes right across the country. Farmers in all ten Provinces are being audited and I am receiving many representations from Members on the other side of the House.

Let me quote from the letter of a farmer from 100 Mile House, British Columbia, to the auditors. He says, and I quote:

> I am writing this letter grieving my recent audit.
>
> How can one of your senior audit men (Mr. Bill Donaldson) come and do an audit of my farming operation four years ago and tell me that everything is fine with comments like "keep it up!" or "if you continue as you are." And then four years later, after all kinds of improvements are made (more machinery, buildings built, irrigation installed etc. at considerable expense) another audit is done, only this time disallowing the farming operation?
>
> I have had Mr. H. A. McTavish, Chartered Accountant do all my returns since I began the operation to ensure what has happened now, would not happen. (As a matter of fact Mr. Bill Donaldson even recommended Mr. McTavish as the best accountant in our area).
>
> This last audit was done by two of your field men who I felt did not understand farming and could care less. They made statements like "The Government needs money this year." and "We are only doing our job" etc. They did not go to see the farming operation at all! I tried to explain that beef prices were down and that we have had very wet haying weather for the past several years, but to no avail.
>
> Please, I beg of you be fair.

It is signed, "Yours truly". It is not often, Mr. Speaker, that farmers beg anybody for anything.

I have another letter from the wife of a farmer in Quesnel, British Columbia. She says, and I quote:

> The evening of April 7, 1983, we were called to our accountants' office to be informed that we owe Revenue Canada $17,285.74. $3,551.16 being interest!
>
> To people such as ourselves who take pride in paying our creditors regularly it was rather a shock to find that we suddenly owe a sum like this, without prior knowledge, and that interest had been added to a bill that goes back 4 years without knowing anything about it. We have always filed our income tax on time, each year it has been accepted by Revenue Canada and now they decide that for the years, 1978, 79, 80 and 81, that they made a Big mistake, in fact a $13,000.00 mistake, most naturally not in our favour, add interest and bill us, expecting that we have $17,000.00 stuffed away in some sock somewhere!

• (1815)

I have dozens of these kinds of letters. I told the Minister that if he does not do something about this, he is going to have a tax revolt on his hands. An association has been formed in my riding called the Cariboo-Chilcotin Farmers' Alliance. It is contacting agricultural groups right across the country urging them to band together and fight this unfair and unjust process Revenue Canada is undertaking. I ask the Minister to consider that.

I also informed the Minister today that women are being discriminated against under this Section. The auditors have a very arbitrary set of rules and regulations which set out whether a farm is a farm. One of the things they insist on is that a certain number of hours per year are worked on the farm. As you know, Mr. Speaker, if the husband has had to work off the farm to try and make ends meet over the last couple of tough years, then his wife has had to pick up a lot of the slack and do a lot of the farm work. The auditors are not allowing the work of these women to count at all toward the labour provided on the farm. I have proof of that here in two letters.

The first letter is from a lady in Lac La Hache, British Columbia, who says, in referring to the auditor:

> He also doubted whether I would be capable of managing the herd (being female, I guess) while my husband worked, a comment that raised my ire, to say the least!

Let me read another comment by the lady of Quesnel who I quoted a moment ago. She wrote:

> For some reason, no doubt the usual, my own work on the farm is not given consideration in this matter. When we bought this place, I had to sign an affidavit stating that I was not buying under duress and that the payments on the farm would be my responsibility, should anything happen to my husband. I put in a full day's work, each and every day to make this farm pay! We know that a place is considered a farm where the husband stays home and the wife works out, so why not the reverse?

This problem is not going to go away, Mr. Speaker, and I would urge the Parliamentary Secretary to give me some kind of an answer that makes some sense.

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of National Revenue): The Hon. Member in his question today referred to the "unfair" application of Section 31 of the Income Tax Act, to the reply to a question he placed on the Order Paper about the number of farm audits, to

changes in procedure, to a tax grab by the Government and to a number of individual cases he has referred to the Minister. Let me take the latter matter first.

To be perfectly fair, the Hon. Member sent in some of the cases in late April. To deal with them it is necessary to obtain the files of the individual taxpayers concerned from our offices in British Columbia, and then subject each file to the kind of thorough analysis I am sure he would wish to have them given. In fact, some of the cases came to the Department only with the Hon. Member's letter of May 26, hardly two weeks ago. He should not, therefore, be surprised that the analysis is not yet complete. But he will have the Minister's reply as quickly as possible.

He has spoken of fairness. I wonder why he considers it fair to have some people with a preference for living in a rural environment claim what are really living expenses as if they are the expenses of running a farm. Let me emphasize that when the Hon. Member refers to the disallowance of farm losses under Section 31 of the Income Tax Act, he is at best only partly correct. That Section deals with the situation of a farm as a business, and the question of whether the taxpayer may be allowed limited losses of up to $5,000 or losses without limit. In both cases, whether the allowable losses are required to be limited or not, it has to be a farm as a business; that is an enterprise carried on with a reasonable expectation of profits.

In many situations Section 31 is not at issue at all. The claimed losses cannot be associated with a business since there is no reasonable expectation of profit. The losses are therefore disallowed because they are personal living expenses and the Income Tax Act specifically denies allowing them as deductions from taxable income.

• (1820)

This is a very complex question and is worthy of a fully detailed answer, particularly with respect to the cases brought to the Minister's attention. I can assure the Hon. Member that the review of these cases is being given a very high priority.

VETERANS AFFAIRS—REVIEW OF WAR VETERANS ALLOWANCE ACT

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, on May 12 I questioned the Minister of Veterans Affairs (Mr. Campbell) on the War Veterans Allowance Act which is currently under review by the Department. The Minister informed me that no legislative proposals would be considered until the fall or next spring. In other words, in all probability Canadian veterans should not expect any improvements with regard to this matter for quite some time.

At the moment, we have approximately 750,000 veterans, 242,000 of whom are between 60 and 64 years of age. An estimated 275,000 are over the age of 64. I do not feel the Minister is taking into consideration the age of many of these veterans who have been waiting what seems to be an endless length of time to receive the benefits they have justly earned.

Recently the Minister took great pleasure in informing us that the average processing time for first time pension applications is 70-odd days. I must say I am pleased that the Minister is attempting to implement my private Members' Bill C-641 which, if adopted by the House, would ensure that pension applications would be processed completely with a time span of no more than 90 days, and would impose a 45-day limit at each of the two levels in the appeal process. If a decision was not made within any of these periods, the applicant would be automatically awarded the whole amount claimed.

The Minister may be proud of his accomplishments with regard to this matter, but may I remind the House of the years it has taken to reduce the time to this still lengthy amount. Most important, may I remind the House of the many veterans who have died while waiting for their reward. I am hopeful that the Minister will continue his efforts and that we in the House of Commons and veterans can look forward to seeing a full enactment of my Private Members Bill C-641.

The Minister should take heed of the past experiences before continuing to put off too much longer the implementation of any future legislation. Over the years, veterans organizations have made an exceptional number of recommendations to improve the welfare of Canadian veterans. Thousands of veterans feel, as I do, that it is unfortunate that more of these proposals have not been implemented.

One area of concern which comes to mind involves the Aging Veterans program. Presently the program is only offered to those veterans in receipt of a war-related disability pension, thereby excluding many deserving elderly veterans. It is thought that the program should be extended to all disability pensioners and War Veterans Allowance recipients qualifying for treatment under Sections 5, 6, 7 and 12 of the Veterans' Treatment Regulations.

Another matter which is in dire need of immediate upgrading is the War Veterans Allowance interest exemption. The War Veterans Allowance Act limits to $100 per year the exemption in respect of bank, bond and dividend share interest. This small amount is ludicrous by today's standards and does not allow for even the smallest of investments.

The War Veterans Allowance and Civilian War Pensions Allowances Act should also be amended to allow Canadian war veterans living outside Canada to receive the allowance, if they are unable to return to Canada because of health, financial or other mitigating circumstances. The Minister's position is that the War Veterans Allowance legislation is deemed for Canadian veterans living in Canada. I know, and this is known also to veterans' organizations, that there are veterans who are virtually unable to return to Canada. Why should these people who defended our country be ignored?

Another recommendation by veterans' organizations is that all income other than that received from CWA or WBA be exempted as part of a recipient's casual earnings, up to the maximum as set out in the regulations. This proposal, if implemented, would benefit those veterans who are unable to work and who are in receipt of a small disability pension, OAS, GIS, CPP or a small superannuation allowance.

Over the years, veterans' organizations have supplied the department with both problems and solutions. On one hand, the Liberal Government has quickly overlooked many of these recommendations, stating that they are not feasible or, because of financial restraint, are impossible. On the one hand, the Secretary of State has publicized his intention to make Canada a French state, regardless of cost. For the Liberal Government to financially endorse this commitment and blatantly ignore the heroes who defended this country is atrocious. The logic behind this policy is repulsive.

• (1825)

My Conservative colleagues and I feel that veterans deserve better treatment, and a step in the right direction would be to amend the War Veterans Allowance Act as quickly as possible. We are therefore requesting that this Act be revised on the return of the House in September. This would provide ample time for the Minister and his Department to draft the necessary changes to this legislation. Furthermore, this legislation can be passed through all stages in one hour. There is no valid reason for veterans to wait any longer for these necessary revisions to be made.

Mr. Roland de Corneille (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, I am glad that the Hon. Member raised this question concerning the review of war veterans allowance and the timing of the opening of the Act. The review has made good progress to date and the Minister anticipates that legislative proposals will be ready for consideration either in the fall or early next spring.

The Hon. Member indicated that the War Veterans Allowance Act had several deficiencies that require correction. I think it is most important in discussing the perceived inadequacy of the War Veterans Allowance Act to understand the history of this dynamic piece of legislation and the basic purpose to which it has always addressed itself.

The War Veterans Allowance Act was introduced in 1930 to ensure that veterans with few assets and very little income were provided with a decent standard of living. It addressed particularly those veterans who had experienced pre-aging due to their war time service. This was a pioneer piece of social legislation which, over the last 53 years, has been frequently amended to ensure its continuing relevance to the needs of veterans and dependents.

It will be of interest to Members to know that some of the special provisions of this legislation include guaranteeing the surviving spouse of the recipient of war veterans allowance the equivalent of one year's married rate in order to ensure that the initial period of bereavement is without financial hardship. This really helps in the time of acute need.

In addition, Members will appreciate that veterans' allowances are fully indexed and are adjusted quarterly to ensure that benefits paid are as responsive as possible to changes in price of goods such as shelter, food and clothing. Furthermore, allowances are paid for dependent children. In 1973, the requirement to declare assets or to have them reduced to a certain level in order to qualify for the allowance was removed.

As mentioned earlier, this Act has been changed several times to ensure its continuing relevance to the changing needs of veterans and dependents. The most recent change, Members will recall, took place in 1980 with the passage of Bill C-40. The major improvements made at that time included an increase in the single rate of allowance of $480 per year and of the married rate of allowance of $840 per year.

Moreover, the amount of income received by single and married allowance recipients over age 65 and under age 65 began to be corrected with this legislation which will be resolved by April 1, 1986. An enhanced capacity of the Minister to forgive allowance overpayments that were received either through no fault of the recipients or where the collection would cause hardship, was enacted. This has resulted in a much more compassionate administration of this legislation in line with its intent to help low income veterans and their dependents to provide for their ongoing maintenance.

Finally, just in April of this year, the level of casual earning exemption under this legislation was significantly increased.

In respect of the current review it is not so much prompted by the inadequacy of this statute but rather the need to ensure that it has no inequitable provisions, that WVA benefits can be delivered quickly and that the Act is managed as efficiently and as effectively as possible.

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 11 a.m.

At 6.30 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, June 7, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANAGREX

MEASURE TO ESTABLISH

The House resumed from Thursday, July 29, 1982, consideration of Bill C-85, to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, as reported (with amendments) from the Standing Committee on Agriculture; and Motions Nos. 1, 6, 7, 8, 9, 10, 11 and 12 (p. 19829).

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, it seems like only yesterday but in fact it was July 29, 1982, when I was interrupted in my speech on Canagrex. During that time little has changed. During that ten-month period the Minister of Agriculture (Mr. Whelan) has made two interventions in the House of Commons, one to bring in closure on Canagrex, and one to bring in closure on the Crow Bill. Little has changed and we are now forced to the end of a debate on a Bill for which there is no consensus and over which there is major concern. In the meantime, throughout those ten months approximately 10,000 agricultural and business bankruptcies have occurred in Canada.

This little Bill, as it is called by the Minister, would establish a Crown corporation for the promotion and facilitation of and engagement in the export of agricultural products in Canada. The root problems of Canadian agriculture do not lie in the failure of our export markets but in the inability of farmers to achieve commodity prices that can compensate them fairly for the high interest rates and high energy prices which are part of Liberal Government policy. The root problems of our ability to increase agricultural exports are tariff and non-tariff barriers in other countries, or the poverty that exists in countries where food is really needed and their inability to pay for our products.

All of Canadian agriculture, whether supportive of this Canagrex Bill or not, has been disappointed and dismayed at the neglect of the Government and the inability of the Minister of Agriculture to face agricultural problems in a constructive way. There is the Minister's failure to influence the Minister of Finance (Mr. Lalonde) to bring in, in the last budget, effective long-term financing measures. There is his continued support of Liberal Government measures which have doubled fuel costs and added significantly to fertilizer costs for farmers in Canada, the failure of the Minister to support a stabilization plan for the hog and beef industries, and his failure to ensure a fair tax system for capital gains and farmers who must work off the farm to survive. None of these things would be quite so bad if he had not promised them repeatedly.

Canagrex has its supporters and its detractors. As part of its support, I would quote the Ontario Federation of Agriculture who said:

> It appears to us, hearing the discussions to date, that many of the opponents to Canagrex have painted the worst possible scenario, depicting the crown corporation as a threat to free enterprise. We believe that it will be a boon to free enterprise, especially to small producers of agricultural and food products. Canada's farmers need the assistance and expertise such a body could offer, to allow us to compete effectively in the world marketplace.

The *Toronto Star* wrote an editorial in support of Canagrex. It said:

> On the other hand, increased exports could allow farmers to produce more and receive the incomes they need without having to impose price increases on the consumer. In fact, properly handled, the Canagrex activity could allow Ottawa to move away from the use of food marketing boards which regulate food production and prices—and which have been shown to add considerably to consumer costs.

But it also has its detractors, Mr. Speaker, among whom are the Canadian Agricultural Market Development Advisory Council who make several points:

> (A) Enabling legislation should be abandoned because the need for the formation and existence of Canagrex has not been justified in the discussion paper.
>
> (B) Lack of qualified, experienced personnel.
>
> (C) The proposed funding for Canagrex would be more effectively used if added to the budgets of I.T. & C., E.D.C., and C.C.C.
>
> (D) The proposed "Policy Advisory Committee" for the proposed Canagrex might well be a good adjunct to assist I.T. & C. with their policies and programs, and to gain some inputs from the private sector.
>
> (E) If Agriculture Canada would employ its resources for agricultural export marketing by assisting IT&C, this would be much more profitable and come closer to the 'one-stop-shopping' suggested in paper as being desirable.

• (1110)

Finally:

> Agriculture Canada's concern with 'import replacements' could, and should, be handled by them but does not require Canagrex.

In addition, *The Globe and Mail* wrote an editorial opposing the proposed legislation of Canagrex as it has been presented by the Minister. I quote from it as well:

> Those who oppose the bill believe that it is an unwarranted Government intervention in the agriculture and exporting businesses. Earlier this year the opposition parties kept it for four months in the Commons Agriculture Committee and forced a considerable number of changes, among them that Canagrex could not itself go into the producing end of farming and that its buying and

selling activities would be limited to joint ventures with private traders, farm marketing boards or state to state deals.

Yet the opposition increases. More than 20 agricultural associations, representing more than half the agricultural industry measured by cash receipts from farm production, are now out against Canagrex. So are the Consumers Association of Canada, the Canadian Manufacturers Association, the Canadian Chamber of Commerce, the Canadian Export Association, and the Export Trade Development Board. And so, briefly, when he was a junior minister and more easily shushed by his seniors, was Industry and Regional Expansion Minister Edward Lumley, who might not now be so easily shushed.

The Minister of Agriculture has made a variety of comments following his press release of February, 1981 announcing Canagrex. I would quote from one of them:

We must not surrender to the fear and the suspicion and cynicism that would smother Canagrex. Canagrex will help to show that we can co-operate, we can act positively as a nation, in the national interest.

Then in December, 1982, after only two days of proposed debate, he brought in closure. The last day of proposed debate in the House adjourned with me sitting in my seat waiting to speak and the Liberals could not find 18 Members of Parliament to form a quorum to debate this Bill. Then the Minister brought in closure.

We have an interesting situation and one that provides an opportunity for the Government to live up to its responsibility and the brave words of co-operation by the Minister.

We all have pride and expectation for Canada's agricultural producers. The one million Canadian farm workers each produce ten times the amount that a Russian farm worker produces and 100 times the amount an Asian farmer produces. Productivity has increased three times in the last 20 years and 12 times in the last 50 years. Our agricultural exports in 1981 were $8.8 billion and growing. We can do better and the Government can assist.

None of us is that happy with another Crown corporation. But if this is the best answer that the Liberals have to improve our long-term agricultural exports, then there is a consensus that Canagrex could be tried without the buy-sell provisions. The necessary financing could, as is now possible, be gained through Treasury Board approval. This would allow the corporation to be judged on its merit without having the automatic right to infringe on private enterprise activities which could give it a very unfair advantage, and if confidence was established it could be amended in the future. As it stands, it does indeed represent an entity capable of the worst fears of its detractors—unlimited and nearly unchallengeable bureaucratic invasion of the food production sector.

I do not expect the Minister to accept this suggestion because he has already refused on grounds that are at least as absurd as any argument against the Bill. Besides, it would be a reasonable thing to do and when he cannot do anything else for agriculture the smoke and mirrors of creating another diversion within agriculture is in his best political interest. It keeps farmers from putting themselves together to put pressure on him to help solve some of those root problems that threaten the viability of family farms across Canada.

[*Translation*]

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am very pleased with this opportunity to speak to Bill C-85, which is a very important piece of legislation for Canada's agricultural industry. As we all know, Canagrex will be a very important and useful agency for the Canadian agricultural sector. I wish I could say that I had invented Canagrex, but I have to admit that the suggestion came from the Canadian Federation of Agriculture.

The agency was created as a direct result of requests made by the Canadian Federation of Agriculture to the federal Government for an organization to promote export sales of agricultural products. In its representation, the Federation emphasized the fact that Canada's efforts to market agricultural products abroad were both fragmented and limited. Fragmented, because our trading partners often have trouble finding out with whom they should be dealing, and limited, because many producers who would be able to export Canadian agricultural products do not have the necessary resources to bring their products on the world market.

• (1115)

We know all the arguments advanced by opponents to the Bill. They claim the Bill would be an affront since it ignores everything they have done to promote exports of our agricultural products.

Perhaps we should stop here for a while. As I said before, positive measures have been taken in the agri-food export business in the past, especialy with respect to wheat, oil seeds and meat. No one is denying that. In fact, all this is clear from the fact that last year, our agricultural exports were worth $9.5 billion, which means a trading surplus of $3.1 billion, and 60 per cent of that surplus was due to grain and oil seed exports.

However, and this is our justification for creating the Canagrex Corporation, if we compare the remainder of our exports, that is, minus the grain component, with our total imports, we have an agricultural trade deficit of approximately $2 billion.

The non-grain sector of our industry is lagging behind because, as was pointed out earlier, here in Canada we do not have a mechanism to help farmers seek out potential markets.

Canadian farmers themselves have expressed the need for an agency like Canagrex that would provide a more diversified and better co-ordinated approach to the marketing of agri-food products abroad. It is not a takeover of our agricultural industry or a Communist plot, as our opponents are claiming in their propaganda literature. In fact, the kind of propaganda being made about Canagrex and the Crow rate reminds me of the words of a former President of the United States, Franklin Roosevelt, who said that we have nothing to fear but fear itself.

In recent months, copies of Bill C-85 to establish the Canagrex Corporation have been distributed, but from the controversy the Bill continues to raise, it would seem that our opponents have not bothered to read the actual text of the Bill.

Following certain concerns that were expressed, we made 14 substantial changes in the Bill, and I may point out that they were made to meet the demands of the New Democratic Party and the Progressive Conservative Party.

Opponents of the Bill have based their charge of a takeover of the agricultural industry on three specific points: the purchase and sales aspect, the power to purchase property, and the Corporation's accountability. Every time, opponents to the Bill have managed to misrepresent the provisions of the Bill.

The powers of Canagrex with respect to the purchase and sales of products can be exercised only within the framework of its mandate, which is to promote and facilitate export sales of agricultural products and to proceed with the sale of such products, subject to the following restrictions. Canagrex may engage in export sales of agricultural products only when it is asked to enter into ventures jointly or in co-operation with companies, co-operatives, marketing boards, or individuals carrying on business in Canada, or within the framework of contracts with foreign governments.

The power to purchase, lease or otherwise acquire and hold real and personal property for actual use by the Corporation does not include the power to purchase, lease or otherwise acquire real property for the production of fruit, forage, grain, vegetable or other crops, the raising of cattle, poultry, sheep, swine or other livestock or the processing of any agricultural product or food product.

• (1120)

How can anyone be more precise, Mr. Speaker? Canagrex will not act unilaterally and be able to disregard agents now engaged in the international trade of agricultural products, I repeat, Canagrex will not be able to disregard agents now engaged in the international trade or to act as primary producer. That is very important because our colleagues opposite have often questioned the very existence or the aims of Canagrex. It was stated in false advertising that Canagrex would be in a position to act as primary producer, but that is false, Mr. Speaker. The legislation is quite clear in that respect and anyone who maintains the opposite view is unfair and can only be trying to mislead people.

As to criticisms about Canagrex being empowered to sign cooperative agreements with private commercial and agricultural organizations, I would point out that a good many provincial Crown corporations in Saskatchewan, Quebec and Prince Edward Island already have the power to buy, sell or hold real property. In fact, under the Agricultural Products Board Act, the Federal Government has had the power to buy and sell since 1952. Never did the provinces and the Federal Government abuse that power, and things will not be any different with Canagrex.

As to the accountability of the corporation, the Bill provides for an annual comprehensive audit by the Auditor General. No other Crown corporation is subjected to such an audit and I must point out that the Auditor General, Mr. Kenneth Dye, was quite pleased with that provision. Being on that committee myself, I was very glad to see that Mr. Kenneth Dye had commended the Minister of Agriculture (Mr. Whelan) and Agriculture Canada for advocating that kind of control over a new Crown corporation. I really wonder how anyone can be critical of a Crown corporation whose accountability has been praised by the Auditor General himself.

Some people have claimed that they are not against the kind of power which Canagrex would have, but they would rather extend it only to existing corporations. I have only one comment to make in that respect, Mr. Speaker: since those corporations deal as well in the promotion of footwear, electronic equipment and agricultural products, which products will they promote first? Not food products, if the lack of respect sometimes shown for agriculture is an indication. What we need and what the Federation is asking for is a corporation which would deal exclusively in exports of agricultural products.

There can be no doubt that the private sector and the taxpayers are very well protected. We have done everything to ensure that Canagrex will show responsibility in exercising its powers. Briefly, Canagrex has the following powers: publish information on the markets, offer publicity and information services, make and give loans and guarantees; upon request, enter into cooperative contracts with private enterprises, marketing boards and cooperatives; enter into contracts with foreign governments; make grants or contributions to speed up promotion or development projects or the installation of the necessary infrastructures.

Mr. Speaker, I would like to continue to speak at length on this Bill, but I must conclude since the time allotted to me has ended.

[*English*]

Mr. Gordon Towers (Red Deer): Mr. Speaker, it is with a great deal of disgust that I rise to speak in the House of Commons this morning. The Minister of Agriculture (Mr. Whelan) and the Prime Minister (Mr. Trudeau) are making a definite attempt to socialize a basic industry in Canada, that of producing food or agriculture in general.

• (1125)

It is absolutely distressing to see the Prime Minister allow the Minister of Agriculture to get away with it. We have to recognize that it was 5,000 years ago that an individual sold his birthright for a bowl of porridge. That is exactly what is happening in the House of Commons today. The Minister of Agriculture says he just wants a window on the industry. We heard that message some time ago when the then Minister of

Energy, Mines and Resources wanted PetroCan just for a window on the industry. A fine window it has developed into. It is one of the five largest oil companies in Canada. It was bought with the people's money.

Now we have a Bill that will allow the Government to price agriculture products. All you have to do to control anything is just set the selling price on it. If the Minister did not have that in mind, why would he not take away the buy and sell provision? Our concerns would then be alleviated. However, he will not drop that part of it. Therefore we have to assume that he is setting a mechanism in place that will allow this to happen.

I now quote some excerpts from a book:

Federalism must be welcomed as a valuable tool which permits dynamic Parties to plant socialist governments in certain Provinces from which the seed of radicalism can slowly spread—

—it is folly to endorse strategies that are devised to swing the whole country at the same time and in the same way into the path of socialism—

In terms of political tactics, the only real question democratic socialists must answer is: "Just how much reform can the majority of the people be brought to desire at the present time?"—

Perhaps even Parties with different names may reach the same ideology in different Provinces—

I should like to see socialists feeling free to espouse whatever political trends or to use whatever constitutional tools happen to fit each particular problem at each particular time.

Those quotes are taken from the book "Federalism and the French Canadian", written by the present Prime Minister, pages 125, 127, 128 and 130. If that does not tell us something, I do not know what will.

Some of the major agriculture industries in Canada do not want Canagrex, yet the Government and the Minister of Agriculture are flying in the face of those industries. I will read the names of some of them: Alberta Beekeepers Association; Alberta Canada All Breeds Association; Alberta Canola Growers Association; Alberta Cattle Commission; Alberta Pork Producers Marketing Board; British Columbia Cattlemen's Association; British Columbia Pork Producers Association; Canadian Cattlemen's Association; Canadian Export Association; Canadian Meat Council; Canadian Seed Trade Association; Consumers' Association of Canada; Flax Growers Western Canada; Manitoba Canola Growers Association; Manitoba Cattle Producers' Association; Ontario Bean Dealers Association; Palliser Wheat Growers Association; Saskatchewan Canola Growers Association; Saskatchewan Hog Marketing Commission; Saskatchewan Stockgrowers' Association; Shippers and Exporters Association; Western Barley Growers' Association; Western Stockgrowers' Association. In spite of all this opposition, the Government is going to push through legislation that these people do not want. What in the world is Parliament coming to?

The Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) said that the Canadian Federation of Agriculture started this some years ago. That is not so. It was the Manitoba Farm Bureau that started it about seven years ago. That body has now come around and is opposing it. Why does the Government misrepresent the position taken by these people? It is absolutely wrong that we are pushing the free enterprise agriculture community into this socialist program. That is all it is. It will take control in spite of the denials made by the Minister of Agriculture.

• (1130)

As my colleague, the Hon. Member for Bruce-Grey (Mr. Gurbin), just mentioned, the Canadian agricultural producer produces ten times more than does his counterpart in Russia. Why, then, do we want to fall into a socialist trap? It is unbecoming, unrealistic and unwarranted.

I want to read from a press release, Mr. Speaker, issued by all of the people who are in opposition to Canagrex so that it will be on the record:

The Government has again announced its intention to proceed in the House of Commons with the passage of Bill C-85, that would establish an Agricultural Export Crown Corporation—CANAGREX.

This, despite widespread opposition from the agricultural, trade and consumers sectors across Canada, including a majority of farm producers that could be affected by CANAGREX. The above mentioned associations have consistently opposed CANAGREX, as proposed in Bill C-85, and will today reestablish the facts about Canada's agricultural export trade and its potential. We are currently enjoying an all time high in agricultural export activity and, through existing export structures, are breaking new ground almost daily. We welcome the interest of the Government in seeing these exports expanded, but, we believe that the Government's initiative to create CANAGREX is redundant, most inappropriate and misdirected.

How much more straightforward can the opposition be than that, Mr. Speaker? Perhaps the Prime Minister and the Minister of Agriculture do not understand English.

REDUNDANT because we believe that the Government has presently at its disposal all the means it needs to support export growth in agriculture, without having to resort to the creation of yet another Crown Corporation. With only minor enlargement of their mandate, the Export Development Corporation, the Canadian Commercial Corporation and the Foreign Trade Service could quite adequately fulfill financial, institutional and marketing support functions—at a much lower expense to the taxpayer.

The Government forgets about the taxpayer. All the Government thinks about is how it can pick another buck out of the taxpayer's pocket. I must tell Members opposite that the supply of those bucks is coming to an end.

INAPPROPRIATE because through CANAGREX the Government wishes to establish itself as a direct trader, with the powers to buy and sell on international markets. This move would be directly opposite to the Government's earlier decision not to proceed with a National Trading Corporation.

There was certainly a lot of publicity about that. It is a good thing that it was dropped.

It will bring unfair competition to bear on existing export structures with potentially serious negative consequences on our overall agricultural trade performance. It is unnecessary as the agricultural support organizations in other countries, which CANAGREX is meant to correspond to, do not engage in direct exporting.

MISDIRECTED in that the basic issue in Canada's agricultural exports growth is totally ignored in the CANAGREX proposal.

Of course, people who are interested in agriculture know how the present Minister of Agriculture has suppressed agricultural production by his marketing board concept whenever he had the opportunity.

The Prime Minister has himself identified the crucial issue, that is our ability to supply internationally competitive priced products. The Government proposal for CANAGREX does not address this question.

When the Government, in the words of the Prime Minister, says we must "fight to keep the deficit in check", the above mentioned Associations believe that the Government then should not be committing public funds to an initiative of which the raison d'être is so much in doubt. It must revise its position.

The Government has not relented nor has it revised its position in spite of some of the so-called amendments that the Minister of Agriculture has put forward. Those amendments are inconsequential.

For the sake of cooperation, so crucial to our agricultural export success, we would find it specially deplorable if the Government should choose to force this legislation through Parliament by means of the most drastic parliamentary measures. Because of the obvious serious opposition to CANAGREX by a very large proportion of those in Canada who would be affected by it, we urge the Government once again to recognize that the proposal is not adequately supported and to seek the means to achieve consensus through consultation along the lines advocated by the Prime Minister in recent public statements.

Apparently, Mr. Speaker, the Prime Minister has departed from that policy. I see that you are about to rise, Mr. Speaker. Thank you for allowing me the opportunity to express my views, and I do hope that the Minister of Agriculture will give this matter a second thought.

Mr. Ralph Ferguson (Lambton-Middlesex): Mr. Speaker, I am pleased to take part in today's debate at the report stage of Bill C-85, the Canagrex Bill, because I am one of the first to recognize that we do not have, particularly in eastern Canada, the marketing mechanisms necessary to expand our export trade such as those in western Canada who are under the jurisdiction of the Canadian Wheat Board.

I should point out, however, that when this Bill was in committee, amendments were made to it to ensure that Canagrex could never get involved in food production. This in fact would squelch the unwarranted rumours circulated by Members of the Opposition who use this as a point of contention.

In addition to that, there have been amendments made so that Canagrex could not get involved in exporting except in coordination with, or at the request of, producers' groups, processors, manufacturers or individuals. I would like to point out that by looking at last year's exports of agricultural products and taking into consideration that in 1982 the exports of wheat went up by 15 per cent over 1981 and other agricultural products only went up by 2 per cent, that alone tells us that something is sadly lacking in the export of agricultural products from within Canada.

I must take issue with Members of the Official Opposition opposite who would deny Canadian farmers the right to have a voice in the exporting of their products entering world trade. I simply cannot believe that Members of the Official Opposition can suggest that the farmers do not have the knowledge or expertise necessary to work with processors in order to further their own potential as members of an exporting nation. They do have this knowledge and expertise, and to suggest otherwise, as does the Official Opposition, is certainly an insult to the intelligence of farmers across Canada.

I also must take issue with Members of the Official Opposition when they talk about Canagrex being another move toward socialism. Look at the list of Crown corporations within the Province of Alberta. The Government of Alberta owns half of the land, it owns the mineral rights, and it does not allow an individual to own his own mineral rights as is allowed in Ontario. The Government is directly involved in trust companies and various other areas, and the Government is directly involved in the exporting of agricultural products. I think that what we are asking for here, Mr. Speaker, will ensure that all farmers in Canada have the same vehicles available to them to expand their production and sell on the world markets as enjoyed by the farmers in western Canada.

Officials of one of the most productive counties in Ontario wrote to their Member of Parliament, a Member of the Official Opposition, and their letter ended by saying:

Sir—however you fell you must vote, when the vote comes, the farmers of Oxford want Canagrex and we want it now! No more fooling around.

That is laying the issue right on the table, Mr. Speaker, and I think we must ensure that this is the route we take. Particularly with the low prices being experienced on the commodity markets at the present time, Canagrex can serve as a vehicle to bring into focus the potential that there is in Canada's export markets and fill those markets.

Farmers from Ontario, from all of eastern Canada, from western Canada and all farmers who wish to become involved, members of the Canadian Federation of Agriculture, members from the National Farmers' Union, from various organizations, from the Ontario Tobacco Board, all support this legislation. In fact, the Ontario Tobacco Board lost a major sale recently because the legislation was not in place. The Horticulture Council, which spreads all the way from British Columbia through to the Maritimes, supports Canagrex and recognizes the need for it. These are all representative farm organizations across Canada whose members want to expand and utilize the potential that they have, a potential that has been bestowed upon them by Mother Nature and is not being utilized to its fullest capacity.

Only a small group within the agricultural sector is opposed to Canagrex. The vast majority of the groups are in favour of it.

• (1140)

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member. The Chair has listened attentively to the Hon. Member who now has the floor, and to previous speakers as well. I would like to indicate to the House that we are now at report stage. Remarks must be relevant to the subject matter at hand. We are, of course, at the stage of discussing proposed amendments, a grouping of a number of amendments, and I would invite all Hon. Members to relate their remarks to the amendments as they have been grouped. Report stage, if I may be permitted, is not an occasion to discuss the general principle of the Bill. This is usually done at

second reading stage or, again, at third reading stage. Therefore, I would seek the co-operation of Hon. Members in adhering to practice in this respect.

Mr. Ferguson: Mr. Speaker, I would be very pleased to discuss the amendments as proposed. I have already referred to the one which would ensure that Canagrex cannot become actively involved except in co-ordination with, or in co-operation with, an exporting organization, a company, a farm organization and so on.

Incidentally, I should point out that the official critic of the Official Opposition indicated that those amendments which we put forward as a Government at that time were acceptable to them, the Official Opposition. However, to remove those provisions would simply place Canagrex in the same position as a steer, perhaps, amid a bunch of heifers. It has to have that buy-sell provision if we are going to deal on a state to state basis with other countries, which are insisting on dealing this way because many of the products which are offered in the world markets are not of the quality which we want to see, and which we know we can produce.

In fact, when you look at the situation, particularly in the grain industry, various companies are allowed a 3 per cent tare. Quite often that tare percentage is added to the grain after it has been sold by the farmers. We want to ensure that the food products exported by Canagrex are top quality. We have the vehicle here to ensure long-term contracts, ensuring continuity of supply and a quality product. We have the vehicle in place to do this, but we need the bridge financing as provided for in the Canagrex legislation.

Many of our marketing boards would love to expand their production. It is that last 10 per cent of production which is the cheapest. Consequently, they can tie in to a long-term contractual arrangement with an offshore market. However, like the Canadian Wheat Board, which is able to sign up long-term contractual arrangements with other countries, we in the rest of Canada do not have that available to us. Consequently, it is absolutely essential that we have the buy-sell provision in the Canagrex legislation. To remove that, as has been suggested by the Opposition, would simply make Canagrex a vehicle to promote agriculture products with no real potential for tying up long-term contracts with other nations who so desperately need our food.

Another point is that we have provided for an audit in this legislation by the Auditor General, an audit which meets his criteria and one which is somewhat lacking in other Crown corporations. I would like to commend the Hon. Members of the New Democratic Party for bringing forward this amendment and for taking such an interest in the legislation as it came through committee. They certainly saw the need for this legislation. By providing that type of auditing procedure, we can be sure that the interests not only of the producer but of all of Canada, including the taxpayers, are represented.

I must point out also that in regard to the development of offshore markets with other nations, I have had it brought to my attention on various occasions that Canadians have not been aggressive enough in their sales to other countries except for, perhaps, the Canadian Wheat Board and the Canadian Dairy Commission. We have not had continuity of aggressiveness towards promoting our own products. The existing system would tend to indicate that on the many occasions where we do have a temporary surplus of a product in Canada, it is offered to world markets at fire sale prices. There is no incentive there for the farmers themselves to gear up and supply a market, if they know they are only going to be able to sell at a time when they have a temporary surplus on hand. Therefore, there is no way that we can give those countries our assurances that we will always have lots of product to supply their needs.

I firmly support this legislation, Mr. Speaker, and I am proud to say that most of the major farm organizations in Ontario give us their unqualified support and are asking that this legislation be passed as quickly as possible.

Mr. Ron Stewart (Simcoe South): Mr. Speaker, again, it is a sad moment for me in this House to rise and have to speak against a Bill which has been put upon us by closure. Not only that, it is the most blatant move to enforce state control which we have seen in the House. It is another erosion of our rights and freedoms, this time directed at the farmer.

Many farmers would no doubt welcome assistance from the Government in defining and developing export markets, as some of these amendments state. I would like to speak particularly to Motion No. 1. The farmers would welcome help for research and development in the agricultural industry totally. Government assistance in this respect makes a great deal of sense. It would be a laudable and sound concept, and this Bill purports that this is its intent. However, you will note, Mr. Speaker, that I used the phrase "Government assistance". The reason that many farmers and farm organizations and related groups across the country are opposed to Canagrex is that the concept behind the Bill is not Government assistance. It is another direct move towards Government interference, pure state control of agriculture.

Mr. Taylor: Right on.

Mr. Stewart: In a meeting with two of my colleagues, many OFA representatives and county agricultural representatives, I am proud to tell you, Mr. Speaker, that Mr. Garth Cubitt, the President of the Simcoe County Agricultural Association, had the foreseight to understand what this is all about, that it is state control, and to oppose it.

There are many fears over this Bill, the majority of them justified, given the previous track record of this Government. There is valid concern that the Government will be in direct competition with private companies. There is worry that Canagrex will venture into unprofitable areas for political purposes. And how many times have we seen this happen? There have been predictions of higher food prices for Canadians once the Government gets involved.

The many specific concerns related to this Bill are in Clause 1, Mr. Speaker. They have already been dealt with in detail by my colleagues in committee, and you have just heard two fine speeches by the Hon. Member for Bruce-Grey (Mr. Gurbin)

and the Hon. Member for Red Deer (Mr. Towers) on the subject. I will not dwell on the atmosphere resulting from the Bill. I will deal directly with Clause 1. There is apprehension and distrust which is well founded when you realize the broad and potentially dangerous scope of power proposed for this Corporation.

Of the many areas in this Bill which I could use to illustrate the questionable magnitude of these powers, I am particularly alarmed over the provisions in Clause 14(g), which allows Canagrex to:

(g) purchase, lease or otherwise acquire and hold real and personal property for actual use by Canagrex in the operation and management of its business—

If this Government wishes to create Canagrex as a tool to aid farm report, why in heaven's name does the Corporation need to own property and buy and sell property? Would its success in meddling in the finances of the farm be comparable to the post office and to Canadair? I would think so. Why does it have to set up its own farms to compete with those existing? Is it in conjunction with this Order in Council that we have had imposed upon us the establishment of internment camps, or are prison farms the next step? Is it maybe just to build office towers to house more Government bureaucrats in its Crown corporations?

How ironic it is that this particular Government wants to guarantee the rights of the Corporation to own property. It was this Government which flatly refused to make any reference to the property rights of Canadians when it patriated the Constitution and had the Charter of Rights proclaimed, and was the major reason I voted against it. Obviously this Government feels the right to own property is the prerogative of Government, not the people. Check the U.S.S.R. and Poland and see how they love it! The measures contained in this Bill were designed to reinforce that concept totally.

• (1150)

Beyond the immediate concerns regarding the structure and powers being assigned to the Canagrex Corporation in this Bill, there is an even more important and fundamental issue at stake, as listed in the amendments. What we are being asked to approve here is the creation of yet another Crown corporation, another intrusion by Government into the lives of Canadians, another definite move towards state control. Read the Auditor General's report. He classes the Crown corporations in existence now as sub-governments. I would love to know who those people across the way would like to put on top of the agricultural Crown corporation because that will be the real porkbarrel. They love Canadair and its $2.3 billion loss.

In my view, those in the agricultural community who have pledged their support to this Bill have not really understood its very basic implication. That is what this is all about. It is not whether you assist someone in buying or selling in our overseas markets; it is the state control of agriculture.

Some Hon. Members: Hear, hear!

Mr. Stewart: How many Canadians in general realize just how far down the slippery slope to socialism we as a nation have travelled? Not because we wanted to take the trip; we are on this path only because the Prime Minister (Mr. Trudeau) put us there. This Prime Minister firmly believes in state control and socialism. Back in the 1950s and 1960s, before he had the authority and power to implement his goal, he was writing his views on both, and I do not know why Members across the way do not read them. They are in black and white. Let us have a few quotes from this philosophy of the Prime Minister. He said it, not I:

—it seems to me that the regime of free enterprise has shown itself incapable of adequately resolving problems of contemporary society. That's why I am personally convinced that with the upheavals inherent in automation, cybernetics and nuclear energy, Liberal democracy will not long be able to satisfy our growing demands for justice and liberty—

I believe in the necessity of state control to maximize the liberty and welfare of all. The erroneous liberal idea of property helped to emancipate the bourgeoise, but is now hampering the march toward economic democracy.

He goes on:

I should like to see socialists feeling free to espouse whatever political trends or to use whatever constitutional tools happen to fit each particular problem at each particular time.

That was said by the Prime Minister of Canada. The constitutional tools already available to him when he took over were obviously lacking, so he eventually managed to design new ones to suit his socialistic purposes. Closure. Making announcements outside this House and taking power away from Parliament.

The Bill before us provides the Government with an especially vital tool for the expansion of socialism: state control of production, food production in this instance, the staple of our existence. How much more control can you get? Look at what happened to Tanzania when they got state control of production. Look at Poland with the most arable land in the whole of Europe. They owe us $500 million for imports of wheat. Look at the Ukraine, once the bread basket of Europe, and at what happened to it when state control of agriculture came in. When you have state control, it ties up the means of production, controls economic freedom and that is when you lose your individual freedom.

That is what is at stake in this Bill. I say to the farmers who are in favour of this Bill: Please wake up before it is too late. The people under the control of such a state are known as slaves. They are dependent on state aid, and the greater the dependency the greater the power of the state to expand its control. We see that in communications, in industry, and now the Minister is trying to extend it to farming. The Prime Minister recognized the power inherent in such a dependency when he wrote:

Since the sum total of Governments is the sum total of powers, the first task of a socialist is to educate all of the people to demand maximum service from all their Governments.

That is what those people over there are trying to make the farmer think. Did your grandparents, Mr. Speaker, espouse this philosophy? You bet your sweet patootie they did not. Our grandfathers built this country, but they did not build one bit of it on socialism. Check the records. It was built on sweat and hard work. The people of this country are being educated in

the ways of socialism, and we would do well to ask the people of Russia, Cuba or China how they benefit from such an education. The creation of another Crown corporation such as Canagrex simply expands the concept of state control and socialism. That is a dangerous and destructive concept.

I see you are waving at me, Mr. Speaker, so I will conclude by simply saying this. Through its embrace of and dedication to socialism, this Government has created very grave problems for Canada and this is the latest and worst of them. Socialism in the hands of this Prime Minister has taken on a new form and meaning. It has, as this Bill amply demonstrates, become nothing less than communization. I am convinced, and with good reason, that the Prime Minister, given his way, would turn this nation into a huge organized commune in which every single aspect of our lives would be controlled by Government.

Mr. Ferguson: I rise on a point of order, Mr. Speaker. I would ask that the rule of relevance be applied here and that we get back to the amendments, please.

Mr. Taylor: You are the last one to be referring to that.

Mr. Hnatyshyn: What is relevant to you may not be relevant to me.

The Acting Speaker (Mr. Corbin): The Hon. Member for Moose Jaw (Mr. Neil) on the same point of order.

Mr. Neil: Mr. Speaker, we are dealing with a series of amendments, the first of which changes the concept of this Bill. It seems to me that if we are to deal properly with the first amendment, plus the others grouped with it, we have to have a wide scope to speak on the subject matter.

The Acting Speaker (Mr. Corbin): Order. The Chair thanks Hon. Members for their contributions to the procedural matter. As a matter of fact, the time allocated to the Hon. Member for Simcoe South (Mr. Stewart) had in fact expired and the Chair had proposed to rise at that point so as not to interrupt the Hon. Member in his remarks to refer Hon. Members to procedural paper No. 2, dealing with rules respecting repetition and relevance in debate. I would like to quote the following paragraph:

> Motions which are amendments to change, to delete or to restore clauses in the bill can be moved and debated at this stage.

I am referring to report stage. It goes on:

> To avoid excessive repetition of debate, the Speaker has the power to select and to combine motions and amendments.

This was done previously as Hon. Members know. It goes on:

> Also, the Speaker can control debate through use of irrelevancy rule as applied to debate on clauses of a bill. Despite the resemblance of debate at report stage to that at committee stage, there is no allowance in the Standing Orders of the House for a wide-ranging discussion of a bill as occurs by practice in committee on study of clause 1.

When the Hon. Member for Simcoe South rose to make his speech, he said specifically that he would address his remarks to Clause 1 of the Bill. The Chair waited with some patience, I may say, for the Hon. Member to speak with some greater relevance to the amendments at hand. Along the way the Hon. Member did touch on some of the general contents of those amendments.

Because of the large grouping of amendments, it is, of course, rather difficult for the Chair to determine on the spot if a Member is speaking to any one of the more than half a dozen amendments we are now debating together. Therefore, I would invite Hon. Members to make as much as possible a determined effort to relate their remarks to the specific amendments now before the House. Otherwise the Chair will have no other choice but to invite Hon. Members to relate their remarks in fact to those amendments.

Taking into account, as I have just said, that the amendments are numerous but in a sense are all related to each other, hopefully we will be able to make progress in the debate.

• (1200)

The Hon. Member for Comox-Powell River (Mr. Skelly) rises on a point of order?

Mr. Skelly: On this point of order, Mr. Speaker, I am pursuing the matter of relevance. I can see that it will be a problem throughout the day in that in Beauchesne's Citation 102 there is the indication that the question of relevance must address the question of rationality. I believe that any intelligent examination of the remarks of the Hon. Member who spoke previously would indicate that the speech was absolutely irrational. Therefore, I feel that he was not relevant in what he was dealing with in the matter. He should probably have been ruled out of order immediately.

The Acting Speaker (Mr. Corbin): I thank the Hon. Member but, of course, that is a matter of opinion. The Chair has wide discretion in the exercise of its judgment. I am attempting to do an objective job of assessing, if I may use that term, Hon. Members' remarks as they relate to the matter at hand. It is not an easy task, mind you, especially in the context of today's debate.

I now recognize the Hon. Member for Moose Jaw for debate.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I can understand the concern of my friends to the left with respect to some of the remarks which have been made here this morning. It is hitting home, I think, and it is an indication as to how closely allied they are with the Government, which is attempting to put forward a Bill that is entirely in keeping with the philosophy of those on my left.

It is a sad day for Canada, as the Hon. Member who spoke previously said. We are faced here with a Bill restricted to two days of debate by a motion of closure, two days of debate which cover not only the third reading stage but also the second reading stage. We are faced with some ten or 12 substantial amendments to the Bill. We as Members should have been given the opportunity to spend a considerable amount of time on these amendments.

I voiced my concern about the Bill on second reading and in committee. I pointed out, as forcefully as I could, the dangers inherent in the Bill because it gives the Minister of Agriculture (Mr. Whelan) and the Government the potential of complete control, not only of production of agricultural products but of the food chain as well.

It is a further extension of the Government's social philosophy which has crept in since the Party opposite was taken over by the present Prime Minister (Mr. Trudeau), a Prime Minister whose background and writings have dedicated him to socialism, Marxism and all the other "isms" which exist.

Mr. Smith: That is absolute garbage.

Mr. Stewart: He has written it down. Read it.

Mr. Neil: Obviously, the Hon. Member on the other side has not taken the time to read some of the writings of his Leader.

Mr. Smith: I have read them. By their deeds ye shall know them.

Mr. Neil: I am sure that if he had read them, then he would understand what is happening to his Party and what is happening to the country. If he says that he has read them, then obviously he has not understood them.

Mr. Smith: Oh, I did both.

Mr. Thacker: Or else he agrees.

Mr. Huntington: He supports him.

Mr. Neil: It is interesting that when the Bill was in committee and Members of the Official Opposition were proposing to remove a number of clauses, buy and sell, joint ventures and so on, we attempted to bring in as witnesses senior officials from the Department of Industry, Trade and Commerce and from the Department of External Affairs who have been involved over the years in the type of promotion which the Bill authorizes. I moved a motion in committee that these witnesses appear before the committee, but it was voted down by the Government Members.

I am wondering what will happen if the Bill passes, as it undoubtedly will because of the Government majority and the support of the NDP. What will happen to the agricultural arm of IT&C which is out in the world trying to sell our goods, and what will happen to the agricultural representatives of the Department of External Affairs? Surely the whole aspect should have been examined to determine whether or not the Bill was necessary or whether or not IT&C and the Department of External Affairs should have been given additional powers to carry out the functions of which the Minister speaks.

However, it seems to me that the Minister of Agriculture is interested in power. He wants control, control of the production of agricultural products and control of the food chain. Otherwise, why would he include buy and sell clauses? Why would he include joint ventures? He says: "All I want is a window on the industry". We know what a window on the industry is. The Bill is wide enough that the Minister of Agriculture or Canagrex could end up putting quotas on various agricultural products. We would have a situation where the producer could no longer make the decision as to what products he would produce in a particular year or how he would sell them, except through this organization which has such sweeping powers.

Mr. Whelan: You know that is nonsense.

Mr. Neil: The Minister says that it is nonsense. We asked the Minister in committee and on numerous other occasions, if what we are speaking about is nonsense, why he leaves these clauses in the Bill. The Minister said on several occasions that he had no intention of exercising many of the powers contained in the Bill.

Mr. Huntington: Why put them in the Bill?

Mr. Neil: We said that if he does not intend to exercise these powers, he should remove them.

Some Hon. Members: Hear, hear!

Mr. Neil: What did he say? He said: "Some of the Provinces have legislation with similar types of clauses".

Mr. Huntington: The Prime Minister won't let him.

Mr. Neil: We do not care what the Provinces have. We are concerned about the Bill, the country and the agricultural industry.

Mr. Whelan: There are no such powers in that Bill that you claim there are, no such powers.

Mr. Neil: The Minister is repeating, like a broken record, the things he said over the years, not only in committee but in public as well.

Mr. Whelan: Just state the facts as they are, that's all.

Mr. Neil: I am fast running out of time, and if there are any more interventions by Hon. Members on the other side, I will run out of time. However, I would like to suggest that one of the serious flaws in the Bill is the fact that Canagrex could operate on a regional basis. It could divide the country even more than it is divided today, because if Canagrex went offshore and found markets, it would be faced with the situation where the Minister or Canagrex would have to make a decision as to whether or not such a contract went to eastern Canada, western Canada, the Maritimes or wherever. That would be quite a chore.

Take, for example, the pork producer. Supposing the Minister went offshore and obtained a contract for the sale of pork. We have pork producers in Quebec, in Ontario and in western Canada. Who would receive the contract? Would the Minister or Canagrex make the decision and say: "Oh, this contract goes here, into a certain area, because they are having a few more problems than us", or perhaps because there were more votes in that particular area?

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Parliamentary Secretary, on a point of order.

Mr. Dionne (Chicoutimi): Mr. Speaker, would my colleague opposite agree to being asked a question at this point?

• (1210)

[*English*]

The Acting Speaker (Mr. Corbin): A question could only be asked at this time with the Hon. Member's consent.

Mr. Neil: Mr. Speaker, if these were 20-minute speeches, I would be very happy to accept a question; but because of the limited time, I do not feel that I have time. I will answer his question personally afterwards, if he so desires, but I only have about one and one half minutes left. If I have any little bit of time left, I might entertain a question.

I might say in closing that the amendments with which we are dealing today are ones which will make the Bill palatable to the majority of agricultural groups and producers in Canada. As the Bill exists at the present time, without these amendments well over half of the witnesses who appeared before us opposed the Bill in its present form. The majority of people have no objection to giving Conagrex, IT&C or the Department of External Affairs the power to promote and facilitate the export of agricultural products. However, they are absolutely opposed to the powers which are in the Bill to take complete control of agriculture.

If there is any time left, Mr. Speaker, I would be happy to entertain a question from the Hon. Member.

[*Translation*]

The Acting Speaker (Mr. Corbin): Is the Hon. Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) rising to ask a question?

Mr. Dionne (Chicoutimi): Yes, Mr. Speaker. I would like to know whether big corporations like CN, CP and the Canadian Wheat Board that were established by the Progressive Conservative Party—I would like to know whether my colleague opposite means that the Canadian Wheat Board, which has the power to purchase and sell agricultural products, should have those powers withdrawn.

[*English*]

Mr. Neil: I am not saying that at all, Mr. Speaker. The Wheat Board is dealing in a different type of commodity. The commodity with which it deals is traded on the world market.

Mr. Smith: What's the difference?

Mr. Neil: The production of wheat, oats and barley, with which the Wheat Board deals, is concentrated in the West, in the Wheat Board area, and there is no possibility of playing off the East against the West by the Wheat Board, as there is in the Bill.

[*Translation*]

Mr. Dionne (Chicoutimi): Mr. Speaker, I have another question for the Hon. Member.

The Acting Speaker (Mr. Corbin): Order, please. That is subject to the unanimous consent of the House.

[*English*]

Is there unanimous consent to allow the Hon. Member to ask another question?

Some Hon. Members: No.

[*Translation*]

The Acting Speaker (Mr. Corbin): There is no unanimous consent.

[*English*]

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I rise to speak on the amendments to the Canagrex Bill, Bill C-85, amendments which have been proposed by the Progressive Conservative Party to take away the buy and sell provisions in the original legislation. I find that we in this corner of the House will not be able to support that sort of amendment.

This particular aspect of the Bill was discussed quite broadly in committee, but apparently not broadly enough for Hon. Members of the Official Opposition to comprehend what it takes to complete a sale. This seems a little hard to believe, considering that they claim to be members of a free enterprise Party and to have a full and complete understanding of the workings of the market. It is perhaps ironic that a democratic socialist like myself will have to explain to them how one goes about completing a sale, how one goes about making a market function and how one goes about making an agency like Canagrex one which will be of some use to the farmers of Canada.

There are a number of basic routes from production to the final market through which any commodity goes. Farmers know how to do the production. Usually they have no trouble arranging transportation. Usually we can do some of the processing in Canada which is required before the commodity is sold to the consumer who wants the final product, although there are sometimes difficulties involved in the storage and handling of some of the products which are perishable. However, it is the movement, the selling and the completing of the sale, the little details of ensuring and amassing enough product to attract the attention of foreign buyers, which is usually the aspect which farmers do not have the time, money or expertise to complete.

A number of the Provinces recognized that fact and set up agencies very similar to Canagrex in order to complete sales to foreign markets. In fact, seven of the ten provincial Governments in this country have set up agencies and marketing institutions similar to Canagrex. My own Province of Saskatchewan has had such an agency for about ten years. My neighbouring Province, Alberta, had one of the first, complete with all of the powers found in Canagrex, plus a few more.

Mr. Whelan: Shame.

Mr. Althouse: No, it was introduced by a Progressive Conservative Government, with virtually no debate in the provincial House, basically by cabinet fiat. There has never been any screaming or yelling from the Tories in the House, saying that this is a big Government grab.

The agency in Alberta has all of the powers of Canagrex. I would like to just read a couple of sections with regard to the purchase of goods, setting out some of the powers of the Alberta Export Agency, as follows:

When necessary, the Agency would purchase goods from the Producer/Processor for resale and thereby become the "exporter of record".

The section entitled "Take Title" sets out what is involved when the Agency buys and sells as follows:

The Agency would, when deemed advisable, take delivery of, and title to, goods in progress, et cetera and provide storage or inventory facilities until completion, shipment and collection of funds.

It is very clearly taking possession of the goods, and buying and selling.

Mr. Whelan: If a Conservative does it, it's free enterprise. If anything else does it, it's socialism.

Mr. Huntington: How is it sold?

Mr. Althouse: I find that one of the other provincial agencies has a section concerning buying and selling which is probably the epitome of Tory rhetoric. A section in the Prince Edward Island Market Development Centre Act sets out one of its powers as follows:

—to carry on any other business which may seem to the directors of the Corporation capable of being conveniently carried on in conjunction with the attainment of the objects of the Corporation or calculated directly or indirectly to enhance the value or render profitable any of the Corporation's property or rights, and to co-operate in, aid in, subscribe to or subsidize any proceedings or undertaking which may seem to the directors calculated directly or indirectly to benefit the Corporation;—

It continues as follows:

—to acquire or obtain from any Government or authority in Prince Edward Island or elsewhere or from any Corporation or person any charter, contract, decree, rights, privileges and concessions which my be deemed conducive to any of the objects of the Corporations and to accept, make payments under, carry out, exercise and comply with any such charter, contract, decree, rights, privileges and concessions;

—to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

The Conservatives are correct. It does not include buy and sell. It has gone about obtaining those same rights and provisions by writing in a bunch of legal gobbledygook which gives the very same powers. It goes beyond that, in fact. Therefore, I think there are plenty of precedents by Conservative Governments and other Governments in this country, which understand that the power to buy and sell must be in this kind of legislation.

I go on to cite my own experience before I came to this place. One of the things that I did for a while was to help set up a hog marketing commission in Saskatchewan. In one of the preliminaries, I was on short-term contract to the provincial Department of Agriculture and in that role occasionally held meetings with potential buyers of pork from Japan. As marketing specialists at the time, we would sit down and carry on discussions to find out how much product the Japanese wanted, what price they were willing to pay and under what terms and conditions shipment would be made. When it came down to it, we would never complete a contract, for the very simple reason that we could not sign on the dotted line and complete the sale.

• (1220)

A few months later I was part of the Saskatchewan Hog Commission which had the power to complete such sales. Those discussions went very well and we completed the sales without any problem. The point is that we had to be able to complete the sales or else the potential buyers were not interested in talking to us. We heard this in committee in presentations by the Canada-Alberta All Breeds Association.

To be fair, the All Breeds Association said they did not want Canagrex. I suppose they do not really need it since they have all of the same powers operating under provincial legislation. However, they told us the same story. When they first started operating in international markets they completed very few sales because their mandate did not include buying and selling. As soon as they were granted the authority to buy and sell and complete deals, their business soared. Their business was into the millions of dollars almost overnight simply because they had the power to buy and sell, complete a deal and deal directly with the potential buyer.

We revised this Bill in a number of key areas when it first went to committee. We made it very clear in committee that the agency Canagrex cannot go into the production of agricultural products on its own account. The only way it can get products is by agreement with a producer or processor who holds the product. This is the same procedure as any other corporation operating in the free market in Canada. The powers of Canagrex are no greater than any other public corporation operating in this country.

We feel that Canagrex is necessary since there are a number of farm commodity groups scattered across several Provinces which have no ability to combine their products to form a large enough package to attract buyers under any other type of legislation. Since it cannot come under provincial legislation it must be done under federal legislation, and that is why we support Canagrex at this time.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I have risen twice in the House to speak to this Bill, once at second reading and once at closure, to point out the dangers of this legislation.

Mr. Whelan: Mr. Speaker, I rise on a point of order. Every Member on the other side who has risen has mentioned closure. This is not closure; it is time allocation. It is used in the Mother of Parliament all of the time in Britain. They keep using the terminology "closure". After 85 hours of debate in the House and committee, it is not a form of closure.

Canagrex

Mr. Hnatyshyn: Mr. Speaker, on the same point of order, I rise to point out that it is not a point of order. The Minister is simply being argumentative. On every agricultural bill of any consequence to Canada, or to western Canada in particular, the Minister is tring to curtail debate because he is afraid of the issues. That is why he rises.

The Acting Speaker (Mr. Corbin): Order. The point raised initially by the Hon. Minister is not a point of order. Members may interpret or give other names to particular items in the rules as they wish, but that is not for the Chair to interfere with at this time.

The Hon. Minister of Agriculture indicates he wishes to rise on another point of order.

Mr. Whelan: Mr. Speaker, the Hon. Member for Saskatoon West (Mr. Hnatyshyn) has made the comment that in every instance when there is legislation before the House I try to curtail debate. That is far, far from the truth and he knows it.

Mr. Huntington: What did you do on the Crow?

Mr. Hnatyshyn: After eight hours of debate you put closure on it.

Mr. Whelan: The Mother of Parliament does the same thing.

The Acting Speaker (Mr. Corbin): Order. The matter raised by the Hon. Minister of Agriculture is debate and not a point of order.

I recognize the Hon. Parliamentary Secretary to the President of the Privy Council on another point of order.

Mr. Smith: Mr. Speaker, I simply rise to set the record straight. On page 30 of the new Standing Orders, the Standing Orders themselves identify Standing Order 37 as closure. We are not operating under that rule. The Minister of Agriculture is correct that this is time allocation and not closure, which is clearly identified as Rule 37 in the Standing Orders.

The Acting Speaker (Mr. Corbin): Order. I presume time is of the essence. The Chair certainly does not intend to interfere with the names that Hon. Members want to give to a particular point in our rules, procedures or precedents. If an Hon. Member wants to call my mother-in-law by any other name, that is the Hon. Member's privilege. I would invite Hon. Members to continue with the debate. However, the Hon. Member for Capilano did rise on a point of order.

Mr. Huntington: Mr. Speaker, with respect to that scurrilous non-point of order raised by the Minister of Agriculture, I would draw to the Chair's attention that four minutes of the time allotted to the Hon. Member for Wetaskiwin (Mr. Schellenberger) has been used and I suggest that that time be added to his ten-minute speech.

The Acting Speaker (Mr. Corbin): The point raised by the Hon. Member for Capilano is well taken, and the Chair will exercise its usual discretion. The Hon. Member for Wetaskiwin.

Mr. Schellenberger: Mr. Speaker, I did not realize the Minister would get so exercised when I rose to speak, but any time a motion is moved in the House that curtails my right to speak on every one of these substantial amendments that were made to the Bill, I call it closure on debate. Time allocation is just a nice way of putting it. It is in fact closure.

As Members on this side have already pointed out, when the Minister becomes disturbed about the various aspects of this Bill he is very quick to rise in an attempt to defend the indefensible. Let us review the last ten months with respect to closure motions. The only two times that the Minister has risen in the House to enter into the debate was to move closure—once on Canagrex and once on the Crow rate. Both those measures have a substantial effect in western Canada where the Government has no Members.

Why is he doing this? He knows very well that he cannot stand the heat of debate on both of those issues in western Canada. Therefore his solution is to close the debate before Members in the House have the right to put forward their debate or before the various commodity and other groups in the western Provinces, including the Premiers and their Cabinets, have a chance to speak on this legislation.

Let us see what the Minister has done since 1972. The Minister has only taken one new initiative in the House of Commons. That is the meat import law. Every other time he has risen in the House it has been to amend good legislation which has been brought forward by other Governments. When he did rise on two new issues in the last ten months, the purpose on both occasions was to move a motion of time allocation.

At a time when there are tens of hundreds of farms in this country going out of business, we are debating in the House two Bills that will not assist them in any way. This Bill in particular will not assist them in any way to become more viable in the country. Powers in this Bill already exist in other legislation which could provide the same type of opportunities for agriculture in this country. They exist in IT&C, the Commercial Trading Corporation and the foreign service.

If this Bill is passed, will the private trading corporations in this country have the same opportunities to carry out the good work that they have been doing in the past on behalf of farmers? Will the marketing boards in this country, whether or not they are supply management, have the same opportunity to provide these types of trading services for farmers that they have in the past? The answer obviously has to be no.

The Minister was pressed in committee to answer why he wishes to have the powers that are contained in Clause 14. Today we are debating Motions 6, 7, 8 and 9 which I put on the Order Paper and which will remove the powers to buy and sell from this corporation. At least 50 organizations mainly from western Canada have disapproved of Clause 14 and have stated so on the record in committee. Many other national corporations have said the same thing. They have asked the

Minister why we need the excessive powers in Clause 14. They include such powers as to purchase agricultural products and food products and to package, process, store, ship, insure, import, export or sell or otherwise dispose of products purchased by Canagrex. Its powers include being able to enter into contracts with Canadian companies, co-operatives and marketing boards, but the Minister says only in joint ventures. However, if any farm or co-operative is in financial trouble, it is very easy to put out the hand of Government and get involved in a joint venture.

• (1230)

It has the power to purchase and lease property as it wishes in the operation and management of its business, to pledge, mortgage, hypothecate, sell, lease or otherwise deal with and dispose of personal property and sell and otherwise dispose of real property. These powers go on for three pages in the Bill.

Those are the powers that the majority of Canadian agriculture is saying it does not accept or want. Canadian agriculture says it has no objection to the promotion of agricultural products or to the facilitation of the export of agricultural products, or to the desire of many agricultural product boards in this country to have some export credit. To have some export credit is essential in order to compete in today's world. Many other countries have those powers and are using them. There is no objection to that.

If we were to spend this $12 million and the $75 million in credit which the corporation has to assist private ventures in this country, to assist marketing boards which have been set up and which have the facilities to do this job, to assist our foreign trade service in putting in place agricultural exports people around the world, there would be no objections from any person in this country.

Take a look at what Japan has done. Its trading company does not have these powers yet it is one of the most successful in the world. The Japanese have at least 80,000 persons worldwide trading in their various products. They assist various private corporations around the world. Japan's trading company has no powers to buy and sell. It has no powers to store or otherwise get involved in the private production of products in Japan. The trading company is out there to facilitate exports.

Often in committee the Minister raised the matter of what other countries are doing. I looked into that matter. Only one of those countries, the totally socialist country of Israel under Agrexco, has the powers that are in this Bill.

Other socialist countries such as Denmark do not have these powers. Denmark has trading corporations and they do exactly what I have been talking about except for having those powers. Let us take a look at Germany. It has a very successful agricultural trading board, a non-profit organization. It lobbies for exports and imports. It handles legal issues. It is involved in food and drug regulations.It advertises and promotes imported and exported German products directly to consumers. Nowhere does this German marketing board have the power to buy and sell.

I can go on and mention Mexico, France, Britain—

Mr. Whelan: The Danish Hog Marketing Board?

Mr. Schellenberger: —and Australia. They all have very viable and successful trading corporations, none of which has the power to buy and sell.

I do not believe in the arguments which the Minister has put forward. He said in committee that without the buy and sell provisions this corporation, Canagrex, will be as useless as—he used another term but I will use the term mammary glands on a boar. If he is saying that, then he is saying that all these other very successful trading corporations in the world are failures. Well, they run circles around what we have been able to do. They do not need the powers that are in Bill C-85 to do so. If the Minister would remove that particular section, there would be no objections. The motions which I have put on the Order Paper deal with that. If the Minister removed those sections, there would be no objections from anyone in this country regarding this Bill and we could get on with the excellent work that is necessary to make trade viable.

The real point and the point which many Canadians are getting fed up with is the creation of more Crown corporations, of which this is one. It is just like Petro-Canada. My colleague the Hon. Member for Lethbridge-Foothills (Mr. Thacker) will be raising a very important issue as to what happens when you create Crown corporations, how these Crown corporations spend their time building bureaucracies and subsidiaries until they use the powers granted by legislation in the House. We are coming to the point where we, as Members of Parliament, recognize the dangers of allowing the Governor in Council the right to do certain things, to put powers in Bills beyond their real need to function properly. Crown corporations do not have to worry about making profits. They do not have to worry about going bankrupt. They do not have to worry about initiative and incentive because the taxpayer, through this Government over the past ten or twelve years, has continually funded them. Look at what has happened to Canadair, which is a recent example. That is why it is dangerous. That is why private corporations across Canada which have traded excellently in the agriculture industry are frightened for their security. I do not blame them.

We could do the same things by adding these funds to the Export Development Corporation or to the Commercial Development Corporation, expanding our foreign trade service, giving our various private companies and marketing boards the power to use export credit. With those functions we have no need whatsoever for this Bill called Canagrex.

Mr. Hnatyshyn: Well spoken.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Jean-Guy Dubois (Lotbinière): Mr. Speaker, on the subject of Bill C-85 and the motions before the House at the present time, I am rather surprised at the comments made by

my colleagues opposite, who are saying we do not need the Canagrex Bill, that everything it is meant to do can be done quite easily by the private sector and that this kind of corporation is useless.

Mr. Speaker, I am indeed surprised, especially since I know that representatives of the Canadian Federation of Agriculture have been asking very regularly about Bill C-85, in papers they send to us, in their own publications and in those published in Eastern Canada, particularly in Quebec, such as *Terre de Chez-Nous*, where they wonder what is happening to Bill C-85.

Mr. Speaker, last fall, in November, to be precise, we met with representatives of the Canadian Federation of Agriculture, and I know that the Federation was also supposed to meet Members of the Official Opposition, and, I imagine, Members of the New Democratic Party as well. The Federation, which is a national body, was anxious to see the Canagrex Bill passed and implemented to help promote and export our agricultural and food products. I am surprised to hear Members of the Official Opposition tell us that this is unnecessary. I am also surprised to hear that this might trigger a war between the West and the East. I am also surprised to see, considering the amendments that have been moved, that their official agricultural critic is not even in the House. I am also very surprised that now we have examined this Bill in committee, in terms of the various amendments, after motions had been moved to delay the proceedings, and so forth, that now they are telling us, after so many hours of debate, that there has not been sufficient debate on this issue. Mr. Speaker, I am astonished at this attitude, and I think that, in view of the Government's intention to see to it that this Corporation, which would have the power to facilitate and promote exports of agricultural products, meets with the approval of the Canadian Federation of Agriculture, Canada has a duty to establish an export mechanism if it is to remain competitive with other countries that are taking concrete measures to extend their export markets for agricultural products. That is the kind of mechanism that is being urgently requested by our country's agricultural organizations.

Our competitors have already taken steps to increase their exports of agri-food products, and I am thinking of our neighbours to the South, the United States. The Americans have a number of organizations, including the Foreign Agriculture Service, the Co-operative Program, the Commodity Credit Corporation with its various credit programs such as Public Law 480, to improve their agri-food exports, which have already earned the U.S. over $36 billion. As far as our agriculture is concerned, we are in a position to take a different approach, while helping to promote our products abroad, and with Canagrex, we shall be serving the interests of all Canadians and especially Canadian farmers.

• (1240)

This example shows what priority is given by countries such as the United States to the agri-food export trade. Motion No. 1 aims at removing the word "engage in". It seems to me that its move simply wants to dilute the provisions of the Bill. That is also the purpose of the other amendments being considered today, even though this Bill would effectively allow us to do as other countries have done by giving proper priority to our agricultural and food product export trade. Other countries have in fact already done this, including France, Denmark, Great Britain, Germany, Israel and Mexico, by setting up the required mechanisms to maximize the development of their export markets.

The powers conferred to farm product sales promotion agencies in the United States allow them to take a judicious and flexible approach aimed at increasing their export markets. Why should Canada, which is so close to the United States, not be able to take advantage of this situation and use the same type of system to export our agri-food products? Thanks to the agricultural policies applied by the Canadian government for the past several years, this sector of the economy has been very stable in spite of the present recession and must be further supported in order to develop. Why is this? Thanks to the various governments, to the people involved and to farm organizations, we have been able to stimulate production, increase our purchasing power and develop our export capacity. In my opinion, this is extremely important for Canadian agriculture, and indeed, the Canadian Federation of Agriculture has recognized this fact and has asked that this Bill be promoted and passed.

Thus, the powers granted to farm product sales promotion agencies in other countries such as the United States provide for a judicious and flexible approach aimed at conquering export markets. It is also very interesting to note that the industry is trying to secure more powers.

In addition, many circles are in favour of a better coordination of activities and much pressure is brought to bear in order to have the Export Trading Act passed, which would provide for the creation of export trading companies similar to the Japanese giants which look after every aspect of the export trade. This is what we must do, Mr. Speaker, we must act.

In other words, Canada will have to face an increasingly stronger competition on the international markets and we must act now if we do not want to be left behind. Some people suggest that Canagrex will be different from agri-food export development programs now existing in other countries. Nothing can be further from the truth, Mr. Speaker. Our competitors do not compete with other sectors in their own country, but rather with other countries. They have set up agencies which promote sales to foreign buyers in order to maximize the sales of their products.

This is exactly what Canagrex will do, i.e. it will act as a facilitating agent and promote, through its members as described in Bill C-85, the quick sale of Canadian agricultural and food products on the export markets. Therefore, when we look at the title, from which Motion No. 1 seeks to strike out the words "engage in", I feel this would be unfairly diluting the terms of reference of Canagrex.

In order to illustrate the current situation of Canadian agri-food exports in some sectors, it is interesting to look at the comments made by Mr. William Jenkins, a former Dean of the Nova Scotia College of Agriculture, in an interview last year, and I quote:

> In the Atlantic Provinces, the export of agricultural products is nothing short of a war. It is every man for himself, a very crude way to sell anything ... It practically amounts to chaos.

Canadian agriculture cannot afford such a situation. Some degree of co-ordination is needed, and, in my view, Bill C-85, with the establishment of Canagrex would help bring us back to a most sensible situation. When we look at what other countries are doing to prevent such a war, we cannot but realize the importance of making Canada competitive on the export markets.

We must therefore get our act together and pass this Bill without delay, and this is why we have asked for a time allocation for the consideration of the Bill. Hon. Members opposite refer to closure. Mr. Speaker, concerning the current situation, when a Bill has gone through all the stages, first and second reading and study in Committee, when we read all the amendments or motions to emphasize that this or that individual has not been in attendance, people who had not even wanted to appear, the Official Opposition having requested it stating they wanted to hear such and such a group that had not even been summoned to appear before the Committee, they simply wanted to delay consideration of the Bill, it is my view that today, when we speak of time allocation, if my colleague will speak of closure, he is quite free to do it if he so wishes, but my view is that we have taken up enough time, and since the Canadian Federation of Agriculture is anxious to have the Bill, we must respect the wishes of our farmers and we will do so, Mr. Speaker, by passing the Bill, especially since, as I said, farm organizations across Canada are asking for it.

[*English*]

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I rise to speak on Bill C-85, to establish a corporation called Canagrex. In my ten minutes I would like to focus on Motions Nos. 6, 7, 8 and 9 in the name of the Hon. Member for Wetaskiwin (Mr. Schellenberger), who was the last speaker from this side of the House. He spoke in a very informed and eloquent manner regarding the offending principle in the Bill. The Hon. Member for Wetaskiwin, representing a farming community, understands very well the impact of Subclause 14(1)(a) on the farming community. It indicates that Cangrex would be empowered to:

Canagrex

> —purchase agricultural products and food products and package, process, store, ship, insure, import, export or sell or otherwise dispose of products purchased by it;—

That is the offending principle because it empowers Cangrex to buy and sell.

It is clear to a growing number of Canadians that the Government has embarked upon a strategy to control major sectors of the economy. If I were to put it in more ideological terms, it would be to establish state control over the major means of production. That is at the heart of it. It has been moving into sector after sector to establish Government control.

Let me illustrate. It seems that the Government is using a strategy to create a sense of dependency upon the Government in each sector of the economy, largely through the use of a state of continual economic anxiety. I would like to illustrate that further by the use of another metaphor. Hon. Members will recall that during and after the Korean War there was a new phenomenon known as brainwashing. I am not talking about brainwashing here but about the technique the Koreans used which was new to the western mind.

Mr. Whelan: What does that have to do with the Bill?

Mr. Friesen: If the Minister of Agriculture (Mr. Whelan) will listen, I will explain it to him.

Mr. Mayer: Show him in pictures.

Mr. Hnatyshyn: There is something wrong with the sound.

The Acting Speaker (Mr. Corbin): Order, please. Hon. Members are obviously annoyed by the extraneous noise. I presume someone is drilling through the roof or the walls; however, we are having the matter checked. For now I invite the Hon. Member to continue his remarks.

Mr. Friesen: I was indicating that that new phenomenon used a technique of continued long periods of anxiety to create an attitude of instability and insecurity, by which they were then able to do anything they wanted with those prisoners. I suggest to the Minister and to Hon. Members of the House that that kind of technique has been used in successive industrial sectors of the economy, whereby the Government maintained an atmosphere of insecurity and by that atmosphere of insecurity then manipulated an industry or a sector to do anything the Government wanted it to do.

• (1250)

Let me illustrate. In the industrial sector, notice the grant system which has become so very popular and the dependency that has been created on the federal Government through the grant system. The textile industry, which years ago should have been rationalized into a major industrial shift, considering all of the industrial strategies of Canada and around the world, should have been taken into consideration. Rather than that, the Government through the grand system keeps the textile industry in a state of anxiety. The same is true of the shoe industry and the forest industry. As soon as you invoke a

system of grants to any sector of the economy, you create a dependency on the Government and an atmosphere of insecurity which makes that sector vulnerable.

Second, we have the energy field, the second sector of the economy which the Government by design is taking into an area of state control through a system of overtaxation, grants and other mediums. The direct control of exploration and development of resources is not now a matter of the magic of the marketplace but a matter of the National Energy Program and PetroCan. Members will recall that originally Petro-Canada was set up to be only a window on the industry. Some window! It is now a major determinant of the energy direction of Canada as far as the Government is concerned. What we find so offensive is that PetroCan is not a window on the industry, but is in a privileged position in the industry. The Government directs its energy policy through that Government corporation. It is not simply that there are a few PetroCan stations across Canada, but that it now has a privileged position in the industry. Through the back-in provisions, all of the other companies are held in servitude to that one Government corporation.

This brings me to Canagrex. We have the same principle being invoked in this Government corporation. Whereas it was the grant system in the obsolescent industries in Canada and the grant and back-in provisions in the energy field, we now have the buy and sell provisions. They will give the Minister of Agriculture (Mr. Whelan) through Order in Council or any provision control of the food industry in Canada.

Mr. Whelan: That is nonsense and you know it.

Mr. Friesen: The Minister had the chance to introduce the Bill. He mumbled throughout the speech of the Hon. Member for Wetaskiwin (Mr. Schellenberger). He is now intervening when I am speaking. He will have a chance to wrap up the comments on this Bill. Let him wait until then.

Bill C-85 is not an innocent or innocuous support for an ailing industry.

Mr. Whelan: Just nonsense.

Mr. Friesen: I know it is too much to ask the Minister of Agriculture to keep his mouth shut.

Mr. Whelan: Tell your colleagues to be quiet.

Mr. Huntington: Now you have the Speaker up.

The Acting Speaker (Mr. Corbin): Yes. It is the Speaker's duty to protect the right of the Member who has the floor. I invite Hon. Members to co-operate with the Chair.

Mr. Whelan: Tell them to be quiet too.

Mr. Hnatyshyn: If the shoe fits, it is a size 15.

Mr. Friesen: As I was saying before I was interrupted by the Minister of Agriculture, Bill C-85, Canagrex, is not an innocent or innocuous support system for an ailing industry. It is the beginning of a major intervention in the most vulnerable industry in our country. Members have enough agricultural roots to know that the farmer has enough to do to cope with the vicissitudes of nature. Witness what is happening in southern Ontario this year where the farmers cannot get into the fields to plant their crops.

Mr. Whelan: I suppose that is my fault.

Mr. Friesen: That is a major problem which the farmers face. Now they are being asked to cope with the vicissitudes and whims of a bureaucracy. It is the magic of the marketplace which makes any industry function. We used to think about the threat of the dictatorship of the proletariat and about all those other ideological terms. I am convinced that the dictatorship of the proletariat is no longer the major threat. We are now facing the dictatorship of the bureaucracy.

Mr. Whelan: Mr. Speaker, I rise on a point of order. We should remind ourselves what the Bill is about. They talk about what my Bill is doing and what the Minister is doing. I have some rights as a Member of Parliament. The Member should say who started Crown corporations. It was the Conservative Government that set up the CNR, the CBC, other huge corporations such as the Canadian Wheat Board. Is he saying that is bad? The Wheat Board was started in 1935 by a Tory Government.

The Acting Speaker (Mr. Corbin): Order.

Mr. Friesen: If the enlightened comments of the Minister of Agriculture were worth responding to, I would take the time, but they seldom are. This reminds me of the former Right Hon. Member for Prince Albert who used to say he read all of the Minister's speeches, sometimes for information but mostly for amusement. That is generally the category in which his remarks fall.

Mr. Whelan: We know what your Party did to him.

The Acting Speaker (Mr. Corbin): Order.

Mr. Friesen: We are facing the intrusion of bureaucratic control into a very vulnerable industry. As my friend for Wetaskiwin pointed out, even those countries which have elected bona fide socialist Governments—we have a socialist Government which does not call itself by that name—have not included in their corporations relating to agriculture these buy and sell provisions. What we face is the opportunity for Government corporations to move into the food sections of every urban area. They will build stores. This is why the Consumers' Association is opposed to it. They will build retail outlets to package and sell and they will be major competitors in the food industry.

That is why we are so opposed to this legislation. It is because the Government is disturbing the marketplace. It is not allowing farmers to be what they are, the most productive people in the country. That is why we will oppose this legislation right to the very end.

[*Translation*]

Mr. Roy: May I call it one o'clock, Mr. Speaker?

[*English*]

The Acting Speaker (Mr. Corbin): Is the House disposed to call it one o'clock?

Some Hon. Members: Agreed.

Some Hon. Members: No.

[*Translation*]

The Acting Speaker (Mr. Corbin): The Hon. Member for Laval (Mr. Roy) has the floor.

Mr. Marcel Roy (Laval): Mr. Speaker, I consider it somewhat a privilege to be able to rise in the House today to deal with a legislation which will very significantly affect the future of Canadian farmers. Moreover, before coming to this place, I had been involved for 12 years in agriculture at both the private enterprise and co-operative levels. Thanks to my expertise, I feel I am in a position to understand both points of view, namely that of private enterprise as well as the view of the co-operative enterprise. I have been a member of Parliament for the past 15 years, and the remarks I have heard today remind me of the times—I think you were sitting on the Standing Committee on Agriculture then, Mr. Speaker—when we had to deal with the legislation establishing farm product marketing agencies. We hear again today the same whining we heard then while trying to set up farm product marketing agencies and to make sure farmers had stable incomes more in line with their production costs. The Tories' moaning is exactly the same as before, as you can ascertain from reading the official record of the times. Even after 13 years, they are raising the same issues.

The Acting Speaker (Mr. Corbin): Order, please. It being one o'clock, I do now leave the Chair until 2 p.m.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

MUNICIPAL GRANTS ACT, 1980

OPPORTUNITY TO REASSESS EXCEPTIONS AND TO AMEND LEGISLATION

Mr. Gaston Gourde (Lévis): Madam Speaker, I should like to draw the attention of the House on a Bill passed in the early days of the session. I refer to Bill C-4 respecting grants to municipalities in lieu of taxes. Since 1980, the Government of Canada has been discharging its obligations as a taxpayer like all other citizens in Quebec. However, there are some exceptions to that legislation which, in my opinion, should be changed. Indeed, not subjected to that legislation and thus excluded from the accounts for the grant purposes are some fixed assets such as jetties, breakwaters and drydocks. Recently, the City of Lauzon has advised me that the exclusion of drydocks alone was reducing the cash taxable value by $20 million and that the Government of Canada was establishing its grants on a basis of $2 million instead of $22 million. We think, Madam Speaker, that this real property should not be excluded and that the legislation should be amended accordingly. I tabled a Notice of Motion asking the Government to consider the opportunity of amending the legislation in order to satisfy several municipalities. We should also take that opportunity to reassess all the exclusions to the legislation and consult the organizations involved such as the Union des municipalités.

* * *

[*English*]

EXTERNAL AFFAIRS

SUPPORT URGED FOR FRIENDSHIP AND CO-OPERATION WITH UNITED STATES

Mr. Girve Fretz (Erie): Madam Speaker, it is high time that the people in Government recognize that if you live in a glass house you should not throw stones.

To the south of us exists a powerful and democratic society known as the United States of America. This country is undisputedly one of the greatest countries in the world. Yet more abuse is heaped upon the leaders of this country than is their due. There exist groups and individuals in Canada who condemn all aspects of United States' foreign policy and its stand on defence requirements, without offering reasonable alternatives.

Any positive action taken by the American leaders to ensure security of the North American continent is greeted by such groups as being somehow evil and subversive. These groups fail to realize that the Soviet Union is a very real and threatening power which does not share their humanitarian concerns.

All this would be more tolerable if we did not have a Prime Minister (Mr. Trudeau) who denounced the President of the United States as being warlike. He seems to enjoy alienating

the President of the United States. How can we expect the co-operation and aid of that great country when we are in need of protection in time of war?

I suggest that we renew our pledge to friendship and co-operation with our friend and greatest ally, the United States of America, a country which has no fences to keep its people in, a country which has accepted millions of people from over crowded and under privileged countries. God bless America.

* * *

NUCLEAR ENERGY

CALL FOR INQUIRY INTO USE OF NUCLEAR FUEL

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, at this time I would like to call upon the Government to set up a full public national inquiry into the nuclear fuel cycle in Canada, including the mining of uranium, the storage of radioactive wastes, the transportation of those wastes, safeguard treaties, and both the export and domestic uses of nuclear materials and technologies and the relationship between them and the proliferation of nuclear weapons.

There are many good reasons, Madam Speaker, to hold such an inquiry. Unresolved questions abound around the nuclear power issue, and Canadians have never really had the opportunity to be heard on the decision made by technocrats in back rooms to forge ahead with a nuclear future for Canada in spite of growing economic and environmental concerns about the viability of nuclear power as an energy option.

Instead of bending over backward to save a vain and unacceptable energy choice which poses ethical questions that will never be addressed properly within the confines of AECL's internal reviews, the Government should look to the involvement of the people of Canada for instruction on how best to pursue energy for Canada. It should heed the call of the United Church and of many other groups for a public enquiry, something I asked for myself on April 10, 1981, when speaking to a Private Members' Bill in my name that called for just such a process.

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EXTERNAL AFFAIRS

ROLES OF TRI-LATERAL COMMISSION AND BILDERBURG ORGANIZATION

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, two international organizations on which the Canadian Government is unofficially represented and in which the Parliament Centre for Foreign Affairs and Foreign Trade appears to play a role, are a source of concern. One is the Trilateral Commission and the other is the Bilderburg Organization. The latter held a meeting recently at Montebello in the Province of Quebec. Both organizations carry on with a secret agenda. Both have ties with the United States and overseas countries. In both organizations, members with contacts in international financial circles are present.

Where there are secrecy and foreign involvement, dealing with finances, suspicion and distrust exist. What is the ultimate goal of such organizations? Are they concerned with international trade, with the exchange of scientific data? Are they concerned with foreign aid, or are they social gatherings? I feel that those Canadians who are involved in these all-made power broker organizations should be asked to report to the Committee on External Affairs, or a statement should be made by External Affairs on the role of such organizations where Canada is involved.

There is a body of Canadians who fear that such organizations are designed to gain control eventually, at an international level, of the banking systems, which in turn would give them political power exerted through monetary control. The anxieties, concerns, and suspicions created by such surreptitious organizations can, to a degree, be laid to rest by official statements indicating their aims and their goals.

* * *

AVIATION INDUSTRY

ASSEMBLY OF WATER BOMBER PARTS SOUGHT FOR WINNIPEG WORKERS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, the government has announced that it will be building 20 new CL-215 water bombers. CAE in Winnipeg has the assembly jibs and tooling to continue building wing flaps and rudders for water bombers, as it has already been doing during the time from 1980 to 1982. There is now talk of this equipment being moved from Winnipeg to Montreal.

The Winnipeg aerospace industry was promised 10 per cent of the new fighter aircraft contract. This has never materialized. There are 120 aerospace machinists being laid off in Winnipeg by Air Canada. CAE is being forced to close down becauce of lack of contracts. Every effort must now be made to keep hundreds of aerospace workers employed in Winnipeg. This can be done if the Government would leave the equipment that is ready to build the parts for the water bombers in Winnipeg, and not move it to Montreal. Aerospace workers can be employed in Winnipeg if the Government will award contracts to that city in which workers are already knowledgeable and are prepared to assemble the water bombers.

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INDUSTRY

FOOD SERVICE INDUSTRY—NECESSITY TO UPGRADE TRAINING FACILITIES

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, the food service industry in Canada has 600,000 people on its payroll, 5.7 per cent of the national labour force. Last year the industry

made $15 billion in sales which comprised 4.5 per cent of the Gross National Product.

The food service industry also generated some $1 billion in foreign exchange last year from visiting tourists. For every $1 million in sales, $300,000 is generated into wages, and $55,000 goes to the Government in payroll taxes.

Madam Speaker, as you are well aware, serving people is an art, and preparing food is a skill. Our colleges graduate good cooks but not world class chefs. There is a lack of schools with standards necessary to educate skilled technicians. This shortage is creating a bottleneck in the expansion of the food service industry. This is one area where Government can easily stimulate the economy by fulfilling its responsibility to educate Canadians for gainful employment, by upgrading training facilities and thus overcome skill shortages in the food service industry. This should receive the same priority as skill shortages in the manufacturing and resort industries.

Chefs and other food service trades should be designated as national occupations under the National Training Act. It is my hope that the Minister of Employment and Immigration (Mr. Axworthy) will give serious consideration to this and that it will become a reality as soon as possible.

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POLITICAL PARTIES

PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP CAMPAIGN

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the duty and responsibility to call to the attention of the House and the country a very serious issue which has arisen in Ottawa this week. It is commonly known in various quarters as the "Week of the Long Knives".

I would like to point out to the House that, some years ago, when the organization to my right went through this exercise, its Leader, who was leaving at that time, happened to make a speech in which he said that the Conservative Party and the Liberal Party were the same, and that anyone within his organization who said that they were not the same did a great disservice to the Party. The problem, as was related by the then Leader, was that the Liberals and Conservatives were basically the same and only the New Democratic Party would change things.

The second individual who has come forward in this "Week of the Long Knives" is a Member of the House and a candidate for Leader who is running on the platform that they will create a policy for the country. In May, 1981, when this individual was asked what his Party would do to change the mess which the Liberals had put in place, he indicated that if they told the Canadian public what would happen, certainly they would never be elected. Hopefully that would be true today, Madam Speaker.

• (1410)

Finally, I believe, to most observers, right back to the beginning of parliamentary tradition in Canada, the first sign of the alignment of the Conservative Party and Liberal Party was under the banner of an organization called the Liberal-Conservative Party—

Madam Speaker: Order, please.

* * *

CUSTOMS AND EXCISE

CLEARANCE FOR TROPHIES WON ABROAD

Mr. Joe Reid (St. Catharines): Madam Speaker, it was not many months ago that the Minister of National Revenue (Mr. Bussières) was taking the joy out of winning an international hockey tournament by declaring a team-won trophy to be owned by one or two of the players and fixed with a value for customs purposes. Medals, trophies, and exchange gifts were dutiable, so Revenue bureaucracy declared. Well, the scrooge strikes again.

Producing and winning an Oscar for his film, "Just Another Missing Kid", was only slightly harder for the St. Catharines-Toronto producer, John Zaritsky, than getting his award home. It took 30 minutes and three separate customs officials to clear the trophy finally before the by then thoroughly annoyed and frustrated producer could get his award through customs.

Trophies or awards such as these are symbolic representations of victory in the field of sport or of achievement in areas of special endeavour. To hassle a team or a winner of such an award, and to delay many other international passengers while so doing, brings discredit to the Department, smacks of bureaucratic red tape and bungling, and calls for an early clarification by the Minister.

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ETHNIC AFFAIRS

MEMORIAL SERVICE SPONSORED BY BALTIC AND UKRAINIAN GROUPS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, this coming Wednesday, June 8, there will be an ecumenical memorial service sponsored by the Ukrainian, Lithuanian, Latvian, and Estonian communities of Ottawa. This inter-denominational service is held in June of each year in memory of the victims of the religious and national oppression of the Baltic and Ukrainian nations.

This year marks the 50th anniversary of the artificially created famine in the Ukraine when that nation became victim to a conscious and deliberate attempt by the Soviets to extinguish Ukrainian peasants and workers. Their resistance to the Soviet imposition of a collective, state-run agricultural system was viewed as a bid for independence from Moscow. To suppress what they thought was a politically motivated attitude, the Russian communists caused a genocidal famine to occur by restricting the availability of food in the Ukraine. In

addition, the country suffered further population losses from mass deportations and the decimation of its intellectual elite.

In addition, the month of June, 1940, is recalled by Baltic peoples throughout the world as the most devastating time of their countries' history. Between the 15th and 17th of June, 1940, Lithuania, Latvia and Estonia, all neutral and prospering countries, were occupied by the Soviets. These three countries are, even today, still under the oppressive influence of the Soviets.

The service this Wednesday at Notre Dame Basilica, commemorating the sufferings of the Baltic and Ukraine nations, will serve to remind us of one of the most threatening aspects of communism, and of the fundamental rights our often taken for granted freedom gives us.

Some Hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

CANADAIR—ANNOUNCEMENT OF LOSSES

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is directed to the Prime Minister. Today Canadian taxpayers learned that government owned Canadair lost $1.4 billion in 1982, mainly through the Challenger executive jet program, one of the greatest corporate nosedives in our history. The Government also admitted that $1 billion will never be recovered. It is just money down the drain.

Since the Auditor General has warned that spending by Canadair was beyond the control of Parliament, and since the Liberal Government bought Canadair seven years ago, why did the Government blow away $1 billion worth of taxpayers' money before taking steps to correct this situation?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member might be reminded of the rule that a matter which is being discussed in committee is not the subject matter of debate or questions in Parliament. The Minister responsible for the whole matter is in front of a committee of this House this very day. The Hon. Member knows, or she should know if she is interested in the question for real, that the matter is being discussed there, and under the rules she should attend that committee and find out what is going on.

Mr. Beatty: It is up to the Speaker to decide; not you.

MANAGEMENT OF CORPORATION

Miss Pat Carney (Vancouver Centre): Madam Speaker, my supplementary question is directed to the Prime Minister because it is well known that issues of this importance can be brought before the House of Commons.

The Minister responsible for Canadair is blaming Canadair's management for the company's problems, claiming executives gave its shareholders—who are the Canadian taxpayers—misleading information about sales, delivery, and future prospects. For instance, the company was erstimating the sale of 48 Challengers this year. In fact only one has been sold. If corporate mismanagement is the villain, why did the Government appoint some of Canadair's management to the board of the new super Crown agency, the Canadian Development Investment Corporation, Canadair's new owner? If the management was so poor, why did the Government not clean house?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is clearly in breach of the rules. She is making a speech now, probably for the benefit of television, when she should be in committee asking these questions of the Minister responsible.

Some Hon. Members: Hear, hear!

Madam Speaker: Order. I feel that I can allow the question. The Right Hon. Prime Minister is not obligated to answer the question. However, I feel I can allow the question because the Hon.Member for Vancouver Centre is not referring to discussions which took place in committee. The Hon. Member is discussing a subject which can be allowed in Question Period.

Some Hon. Members: Hear, hear!

Miss Carney: Thank you, Madam Speaker.

FUNDING OF CORPORATION—GOVERNMENT POSITION

Miss Pat Carney (Vancouver Centre): I would like to direct my final supplementary question to the Minister of Finance. The Auditor General has reported in the past that the Government has risked $1.35 billion of taxpayers' money on Canadair by issuing letters of comfort which are beyond the scrutiny or control of Parliament. It is clear that the $240 million in new funding now before Parliament would not even pay the interest on the company's debt this year, let alone the payroll costs, or even its bills.

Was the Government informed last October that taxpayers may have to spend another $500 million to $1 billion to bail out Canadair? Does the Government have any plans to commit more funds to Canadair this year to support the Challenger program? And, if not, how will the company survive?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, there are estimates before the parliamentary committee for, I believe, $240 million, which is exactly an injection of equity into Canadair. The Minister responsible for Canadair, as the Prime Minister has indicated, is appearing before both the Public Accounts Committee and the Finance Committee, and

he will be very happy, I am sure, to provide all the information to the Hon. Member.

Mr. Nielsen: More cover up.

PAYMENT OF LIABILITIES

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the President of the Treasury Board. The President of the Treasury Board will know that his colleague, Senator Austin, has disclosed to the press and to others that there is no way that Canadair can ever pay back to its creditors the $1 billion or so which it owes, that that matter will have to be written off. I was wondering if the President of the Treasury Board will advise this House if he will be issuing supplementary estimates allowing the Government of Canada to take over, as a direct debt of Canada, the liabilities of Canadair because, as those liabilities will never be paid by Canadair, they have to be borne by the people of Canada? We have guaranteed the debt. Therefore, will he be issuing a supplementary estimate to allow that to be handled directly so that statements for Canada will be properly representative?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, the matter which my hon. friend is raising is one which will involve a decision of Cabinet, to be taken on the advice of the Minister of Finance. When a decision in this area is taken, I will be happy to report to the Hon. Member.

REQUEST FOR PRODUCTION OF DOCUMENTS

Mr. Don Blenkarn (Mississauga South): The President of the Treasury Board will know that in November, 1981, there was a special investigative statement brought to Cabinet indicating the financial position of Canadair at that time. The President of the Treasury Board will also know that there was a further inquiry and study presented to the Cabinet in October, 1982. That statement was used to ask for the $200 million which was supplied last year. Will the President of the Treasury Board, now that the Government has decided to come clean to some extent with Canadair, deliver an exposé to this House and make available to this House those investigative documents in connection with Canadair so that we can know how we, as a people, lost all that money?

• (1420)

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I will have to consult my colleagues on whether or not documents of this sort prepared for Cabinet can properly be released. But I am aware that the Minister responsible for the Canada Development Investment Corporation has today tabled a very extensive report on the operations of Canadair, both now and in the past, and with regard to its future prospects, before the Public Accounts Committee and the Finance Committee. I would think that report, plus the answers by the Minister and his advisers in Committee, will cover the kind of ground in which my hon. friend is interested.

CANADIAN SECURITY INTELLIGENCE SERVICE

REQUEST THAT SUBJECT MATTER OF BILL BE REFERRED TO COMMITTEE

Hon. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Solicitor General concerning the new Security Services Bill which has been criticized by lawyers and civil liberties groups all across the country, and which the Minister himself has acknowledged is flawed.

Considering that the Minister said yesterday he might be prepared to have the subject matter referred to a special committee of the House for study and report, has he thought more about this in the past 24 hours, and is he now prepared to say that is a course of action the Government is prepared to pursue?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, the suggestion that the Bill is flawed is one which I reject. I am certainly willing to consider amendments to the Bill, but I am also willing, and I think I am in a position, to defend all of the provisions of the Bill, so it is not a matter of my agreeing that the Bill is flawed. It is debatable, and the purpose of Parliament is to debate Bills. I have acknowledged that I am certainly prepared to see it debated and to accept constructive amendments.

On the question of the reference of the Bill to a committee, I have spoken to my House leader. As the Hon. Member knows, it is a matter for House leaders to decide. I have expressed considerable enthusiasm for that, provided that a number of conditions can be met concerning the amount of time it would take, and when it would begin and end. I think the proper way for that matter to be handled is for House leaders to raise it, having the Hon. Member's support for the idea, my support, and the support of Members who spoke yesterday on behalf of the Conservatives.

MINISTER'S POSITION

Hon. Edward Broadbent (Oshawa): Madam Speaker, let me begin by saying that I agree entirely with this kind of procedure. Perhaps what we have agreed on in principle on the floor of the House should be worked out by the House leaders. But I would like to clarify exactly what the Minister has in mind when he talks about a reference to committee. Does he mean that the committee, as was suggested here in the House yesterday, would simply look at the subject matter, an idea that we in this Party are prepared to support entirely, or is he saying that one of his preconditions is that the House has to agree to second reading of the Bill which is before it now?

Mr. Nielsen: No, of course not.

Hon. Bob Kaplan (Solicitor General of Canada): I am certainly glad to provide that clarification. I would like second reading of the Bill, but I am not insisting on it.

Mr. Lewis: Just as well.

Mr. Kaplan: I am certainly prepared to see the Bill referred as a subject to be discussed in the way it has been done in connection with other Bills before second reading.

Mr. Broadbent: Madam Speaker, this is one of those rare occasions in the House where civility might prevail. I can simply say to the Minister that we are prepared to consider that very seriously.

* * *

THE ADMINISTRATION

TAXATION OF TRAVEL BENEFITS PROVIDED BY MINISTERS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I have a question for the Minister of National Revenue pertaining to what benefits are imputed or otherwise accrue when Cabinet Ministers take friends, or relatives not directly related as are wives and children, on Jet Stars. The Minister knows that in the private sector an executive officer of a corporation, or somebody has to pay tax on this sort of thing unless he can prove the trip is necessary for business. Has the Minister considered what the situation is with regard to the case I am now asking him about?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Department of National Revenue has issued a very clear Interpretation Bulletin on benefits which might be taxable and which are in addition to the income of a taxpayer. According to the Interpretation Bulletin, the first explicit condition for such a benefit to be taxable is that it must be directly related to a job. If in the exercise of job related duties an individual is given a benefit, it becomes taxable, and the Department of National Revenue has issued guidelines on that subject.

[*English*]

TAXATION OF IMPUTED BENEFITS ACCRUING TO MINISTER'S FRIENDS

Hon. Elmer M. MacKay (Central Nova): Let me be more specific, Madam Speaker. The Minister of International Trade, now known by some of his friends as "Wing Commander NC", which means "now caught", is quoted in today's *Globe and Mail* as saying that he would take friends along for free flights unless there is a specific rule against doing so. Assuming there is no specific rule against doing so, will the friends have any imputed taxable benefits, or will the Minister, because in the private sector people even who have the use of cars are taxed on that use, as the Minister knows. This should be straightened out.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I should think that the Hon. Member would be the first one to take the Minister of National Revenue to task for giving any indication, ruling or interpretation whatsoever with respect to the Income Taxt Act when a question has to do with a private individual.

[*English*]

USE OF EXECUTIVE AIRCRAFT BY MINISTERS

Mr. Howard Crosby (Halifax West): Madam Speaker, I have a question for the Minister of Transport concerning the use of the Department's executive aircraft by Ministers and others. I want to ask him what the policy is with respect to persons who may be carried on those aircraft and, in particular, whether the possibility of taking members of one's family extends to in-laws. I also want to know who is responsible for preparing the manifests for the flights and who is responsible for providing the information with respect to passengers, particularly the status of those passengers, be they family, staff, or whatever?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have already stated what the guidelines were on the subject. But there has recently been a de facto change in view of the future access to information legislation. The manifest, which includes the names of the passengers, will from now on be accessible to whomever Members of Parliament for example would like to have this information.

STATUS OF PASSENGERS ON FLIGHT TO ANTIGUA

Mr. Howard Crosby (Halifax West): Madam Speaker, I want to point out to the Minister of Transport that the manifest for the infamous flight taken by the former Minister of State to Antigua indicates a Mr. and Mrs. Golightly, who have been identified as the Minister's mother-in-law and her husband.

Mr. Nielsen: Gerry "go lightly" is right.

Mr. Crosby: Unfortunately the manifest indicates they are employees of the Secretary of State. Could the Minister clarify that, and tell us whether his Cabinet colleague was carrying employees connected with the Department of the Secretary of State, or simply taking his in-laws on a holiday?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the information I have is that the Minister of State for International Trade was on his way to represent the Government in Antigua, he was representing the Government of Canada at an official ceremony. That is my information. The plane had to make a refueling stop, and the place where the plane stopped was a normal stopping place on the way to where the Minister of International Trade was going.

Mr. Lewis: And they were standing there.

YOUTH

PROPOSED APPOINTMENT OF TASK FORCE

Mr. Albert Cooper (Peace River): Madam Speaker, my question is for the Secretary of State. He is on record as supporting and encouraging, in fact promoting, a task force on youth issues. When can we expect announcement of that task force?

[*Translation*]

Hon. Serge Joyal (Secretary of State): Madam Speaker, I want to thank the Hon. Member for his question. It is indeed one of the options we are now considering. When I appeared before the Committee on Communications and Culture during the study of the estimates of the Secretary of State, I announced that I will get in touch with all youth organizations this summer with a view to presenting them with a series of proposals on a consultation mechanism through which they could air their views on a youth policy reflecting the interests of young people and of all Canadians concerning those priorities.

[*English*]

UNEMPLOYMENT AMONG YOUNG PEOPLE

Mr. Albert Cooper (Peace River): Madam Speaker, the Minister is well aware that the serious unemployment situation among young people in Canada is at crisis proportions right now. All indications are that it is going to continue for a long period of time, and that puts a very serious sense of urgency on the problem. Will the Minister not proceed quickly, and then make available to all Members of this House the opportunity to discuss this issue with young people right across the country, rather than delaying for a period of time?

• (1430)

[*Translation*]

Hon. Serge Joyal (Secretary of State): Madam Speaker, the concern of the Hon. Member has already been the object of a decision by our colleague the Minister of Employment and Immigration who has suggested that a national conference on young people and employment be held this summer in August. As a result of that conference we will be in a position to take decisions reflecting the initiatives which the Government of Canada intends to take to meet the needs of young people in Canada.

* * *

[*English*]

NUCLEAR ARMAMENTS

SOVIET OFFER TO ESTABLISH BALTIC NUCLEAR WEAPON-FREE ZONE

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Prime Minister. Secretary Andropov has made an offer to discuss making the Baltic a nuclear weapon-free zone if Finland, Sweden, Norway and Denmark declare their countries to be nuclear weapon-free zones.

In his role of elder statesman, could the Prime Minister inform the House what advice he might give to our NATO allies and President Palme with regard to this rather unbalanced offer?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, they have not asked for my advice, but if the Hon. Member really recognizes in me an elder statesman, I would be happy to discuss the matter with him.

Mr. McKinnon: The Prime Minister has given out a lot of advice in the last month or so without being asked for it, I believe.

SOVIET LEADER'S STATEMENT ON DEPLOYMENT OF NUCLEAR WEAPONS

Hon. Allan B. McKinnon (Victoria): I wonder if the Prime Minister would think about Mr. Andropov's recent threatening statement that, if the deployment of the Pershing IIs and Cruise missiles went on, he would retaliate by deploying nuclear weapons in the buffer states. I do not know whether Mr. Andropov expected NATO to believe that his short-range ballistic missiles were deployed far out of range of their targets or not, but could the Prime Minister tell the House what his advice to other NATO leaders is on that statement by Andropov? Should it be ignored, or should it be accepted as a basis for negotiations?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it seems to me that we have an example here of the Tory Party desperately struggling for information on a policy. Its Members should be discussing this matter. They have a leadership convention going on. They should know what their position is on this matter.

Mr. Nielsen: Write another letter to the newspapers.

Mr. Trudeau: The Hon. Member suggests that I have given a lot of advice for which I have not been asked. That is not true. If Mr. Palme wants to have my advice on this matter, he will pick up a phone and he will talk to me, as he frequently does. He has not asked my advice on this matter. The Hon. Member should be asking advice of people within his Party who are expected to lead it in some way or another.

Mr. Nielsen: Write another letter to the Toronto *Star*.

Miss MacDonald: I thought we were still in NATO.

Oral Questions

CANADA DAY

CELEBRATION OF FIRST OFFICIAL FESTIVAL

Mr. Maurice Harquail (Restigouche): Madam Speaker, because of the good work accomplished by the Hon. Member for Vaudreuil with respect to Canada Day, this will be the first year that we will officially celebrate Canada Day on July 1. I wonder if the Secretary of State could inform us of some of the special plans which will be organized for this year's celebration.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

[*Translation*]

Hon. Serge Joyal (Secretary of State): Madam Speaker, I join with all Members who voted for the amendment which enables us to celebrate Canada Day this year for the first time in our history. With that in mind, I will be in a position this week to advise all associations as well as all men and women who have prepared projects to celebrate this national holiday so that they will receive grants early enough to plan their celebration of Canada Day carefully.

* * *

[*English*]

NATIONAL DEFENCE

LOW ANGLE RADAR PROGRAM—APPLICATION TO POSSIBLE CRUISE MISSILE TESTING

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, my question is directed to the Minister of National Defence. It is a follow-up to the question I asked yesterday with regard to the "low angle radar measurement" program. Yesterday, both in the House and outside it, the Minister stated that this project has nothing to do with Cruise missiles. Does the Minister still stand by that statement? If so, can he tell us why scientists from the Cruise Missile Technology Group of the Massachusetts Institute of Technology are regular participants in the testing program, and why a Canadian consultant to the program would freely admit that the major spinoff is for the Cruise missile, that the information yielded by the testing will improve the survivability of these missiles?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think that this question involving the low angle radar measurement test concerns a test agreement which was signed in 1979. If I remember correctly, it was in November of 1979 that a memorandum of understanding was signed between the United States and Canada to test low angle radar measurement equipment. There was no connection then with the Cruise missile. It was a question of improving our radar capabilities, as I said yesterday, and I think I gave the right answer then. I think, by the way, that the media interpreted my answer very well in the newspapers. I think the Hon. Member should read everything I said yesterday. I still hold to the view that when this agreement was signed in 1979 there was no question of involving the Cruise missile. No one knew about it in the United States. Then, after that, maybe the technology of what they refer to as low angle radar measurement could be involved in some of the improvements or refinements to the Cruise missile to be tested.

INVOLVEMENT OF UNITED STATES MISSILE TECHNOLOGY GROUP

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I have no doubt that the first part of the Minister's answer is correct and that part of this testing is for low angle radar, but I want to ask him specifically what has happened since that memorandum of understanding was signed in November, 1979? Why would a group, which is called the Cruise Missile Technology Group, be studying this matter if it is not working toward developing technology to use on the Cruise missile? Will the Minister undertake to determine just what is going on in this testing, and undertake to determine if any other testing in Canada is going on which may involve applications to be used in nuclear weapons systems?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think the Hon. Member seems to have an obsession about the Cruise missile. There are some other things going on in Canada and in other countries with regard to investigating new technology related to radar, and related to detecting low flying aircraft or low flying missiles, and all of that. The Cruise missile is not the only thing in existence. This radar techonology could be applied to civilian aircraft, it could be applied to the facilities used in the approaches to airports. It could be applied in many areas. In 1979, when we decided to sign the memorandum of understanding, there was nothing about the Cruise missile in the memorandum.

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FISHERIES

GEORGES BANK—IMPACT OF UNITED STATES ACTION

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I wish to direct my question to the Minister of Fisheries and Oceans. On March 10 President Ronald Reagan proclaimed an exclusive economic zone, claiming sovereign rights over all living and non-living resources within 200 miles of United States territories. Following this action a Bill was introduced in Congress that would close the U.S. 200 mile zone to all foreign fishing vessels by the end of 1987, with a gradual phase-out beginning next year.

Since this move by the United States could pre-empt the International Court's decision at the Hague on the boundary issue, an action which I know he will agree could be most harmful to Canadian fishing interests, I ask the Minister if he has made any representations to his American counterpart to safeguard our fishermen's rights on Georges Bank.

Hon. Pierre De Bané (Minister of Fisheries and Oceans): No, I think that, as my hon. friend knows, this case is now before the International Court. I do not think those unilateral decisions by either country can have any impact. The legal questions at issue here are not influenced by those decisions of the United States.

REQUEST THAT MINISTER ACT TO PROTECT CANADIAN INTERESTS

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, my supplementary question is also directed to the Minister of Fisheries and Oceans. It is my understanding that the President made the proclamation as a consequence of his decision not to sign the International Law of the Sea Treaty which was finalized in 1982 after more than a decade of consultations and complex negotiations.

Since the American declaration of an exclusive economic zone will mean that the State Department will no longer be under any obligation whatsoever to allocate any kind of fish to foreign nations, as was required previously under the Fisheries Conservation and Management Act, does the Minister plan to take any action whatsoever to protect Canadian fishing interests in the Georges Bank area?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, the reason the American Government did not sign the Law of the Sea Treaty was, of course, because of those clauses relating to the mining of the sea bed. Essentially, its reservations were based on that part of the Treaty which Canada and most countries have signed. As for the question about Georges Bank, there is a dispute between Canada and the U.S. Both sides have voluntarily referred the matter to the International Court, and I think we will have to wait until the decision of the Court.

* * *

• (1440)

INDUSTRY

PETROCHEMICAL INDUSTRY—APPOINTMENT OF TASK FORCE

Hon. Bud Cullen (Sarnia-Lambton): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Following the Minister's announcement about the assistance to be given to the oil-based petrochemical industry, he indicated that a committee or a task force would be established. Has the chairman of that committee been appointed, have the Members been appointed, and when does the Minister anticipate their first meeting?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the co-chairmen, one from business and one from labour, have been chosen, and a tentative membership list has been selected. These individuals are now being called to determine if they are willing to sit on the task force. I think the co-chairmen are planning to hold their first meeting in the third week of June.

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CROWN CORPORATIONS

CANADAIR—ANNUAL LOSSES—INFORMATION GIVEN TO PARLIAMENT

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is directed to the Prime Minister and it concerns the apparent insolvency of Canadair. The Prime Minister is the only consistent Minister to have taken responsibility for this company.

It has been represented to us that in each of the years 1976 through to 1981 this company made approximately $3 million per year. Now, as of a report dated May 18, it is revealed that it actually lost money in each of the years, to the tune of an aggregate $700 million. Would the Prime Minister indicate first when he became aware of this misrepresentation and, second, what explanation he has for the House for this gross misleading of the House?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, keeping your earlier judgment on the rules in mind, I would just tell the Hon. Member, with respect, that these matters are being discussed currently before two committees of the House. The Minister responsible for the dossier is testifying in front of those committees today.

Before the Hon. Member reaches the conclusion that there has been misrepresentation or gross misinformation, he might at least do the committee the courtesy of waiting for testimony, asking questions, and seeing what conclusions it will draw. If the Hon. Member feels the Government should then be answering more questions, we will be pleased to do so.

FUTURE FUNDING FOR CORPORATION—GOVERNMENT POSITION

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in view of that answer perhaps I could ask my supplementary question of the Minister of Finance and deal with something that is before the House at the present time. To what extent is the Minister of Finance prepared to bail out this corporation, bearing in mind that $200 million extra or $300 million extra will not be sufficient? Would he now level with the House and state what it will take to make this insolvent corporation solvent on a viable basis?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, again this is a matter that is being examined. I have had discussions with the Minister responsible for Canadair, for the CDIC, together with the Secretary of the Treasury Board. We are examining this dossier completely. We have been doing this for several weeks, and this examination will be pursued.

As I have indicated, there is in the estimates before the House a request for $240 million for further equity injection into the company.

Mr. Stevens: Is that enough?

Mr. Lalonde: That will be enough to carry the company over a few months—

Mr. Stevens: A few months.

Mr. Lalonde: —for the bills and the work that has to be carried out over the next while.

Obviously, in terms of the money that would be required over the next five years, that is a matter being examined at the present time. When a decision is reached I will be very happy to inform the Hon. Member.

* * *

THE ECONOMY

INTEREST RATE LEVELS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is also directed to the Minister of Finance. Canadian borrowers have a broad concern about the level of interest rates that will prevail in Canada over the next few months and several years. Does the Minister have any idea of what interest rate levels will be in Canada in the next few months? Would he like to give us an indication of what those levels will be?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member is very clever, but he knows perfectly well it would be extremely presumptuous of me to say what the interest rate situation will be in a few weeks or months. I can only express the hope that interest rates in Canada will continue to drop as they have done during the past year. At the Summit in Williamsburg, very strong pressure was put on the Americans by all the other industrialized countries, urging them to adopt a policy that would bring about a drop in interest rates between now and the end of the year. I hope it will be possible to bring down interest rates, but as for guaranteeing that this will happen, I am not in a position to do so, and as for telling the Hon. Member by how much interest rates are likely to drop, there again, I think it would be presumptuous on my part to prejudge the situation.

[*English*]

IMPACT OF GOVERNMENT BORROWING

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, in view of the massive Government deficits and the Government's borrowing requirements, when does the Minister anticipate that the impact of this will be felt on the interest rate market? What effect does he feel it will have on interest rate levels in Canada?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the very large consensus at the present time is that the deficit has no impact in terms of the interest rates in the short term, that is, either this year or next year. The consensus is that the savings of the country are very large and that there is no danger of crowding out the private sector because the demand for investment in the private sector will be comparatively low in the course of this year and will increase only gradually in the course of next year.

As a matter of fact, I had a discussion in this regard with the American Secretary of the Treasury at Williamsburg, who was arguing quite strongly indeed that, even with their $210 billion estimated deficit, they did not expect this to have a negative impact on interest rates in the short term.

However, the problem of the deficit in the medium term, that is, over a period of several years, is one that should be borne in mind. I have addressed that in my budget by announcing a certain number of measures aimed at gradually reducing the deficit while at the same time meeting the needs and looking afther the best interests of the people of Canada by protecting them against unemployment while trying to stimulate growth of the economy.

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[*Translation*]

NATIONAL REVENUE

TAXATION OF WORK RELATED FRINGE BENEFITS

Hon. Marcel Lambert (Edmonton West): Madam Speaker, my question is directed to the Minister of National Revenue. Could the Minister inform the House whether his Department has initiated a program to change the method for determining the benefits to employees of certain companies, in the industrial, financial or life insurance sector, in terms of the value of meals taken by employees in company cafeterias or dining rooms? Could he also inform the House how he intends to proceed and whether this is only the beginning? Does the Minister now intend to tax the benefit accruing to employees as a result of meals taken at the Department of National Revenue and in other departments?

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think that what the Hon. Member is referring to, namely, the possibility or necessity of taxing work-related benefits, is not a new practice. It is a practice that goes back a number of years, and if I am not mistaken, it was expanded in 1980. Employers are responsible for declaring taxable work-related benefits on the T-4 slips, and the Hon. Member's example comes under this category. Furthermore, employers must follow the guidelines issued at the time in one of the interpretation bulletins.

Mr. Lambert: Madam Speaker, I have a supplementary. Could the Minister inform the House what other employee

fringe benefits he intends to tax. Is he going to include free parking, based on the rates at the commercial parking lot on the next block, and so on?

Mr. Bussières: Madam Speaker, it has been some time since I last read the interpretation bulletin for employers, concerning work-related benefits. I promise the Hon. Member and this House that I will review this interpretation bulletin, and I shall then be in a better position to provide further details on this matter to the Hon. Member and other Members of this House.

* * *

[*English*]

ENVIRONMENTAL AFFAIRS

MINISTER'S STATEMENT ON DRINKING QUALITY OF GREAT LAKES WATER

Mr. Neil Young (Beaches): Madam Speaker, my question is directed to the Minister of the Environment. Yesterday the Minister visited a number of dump sites on the U.S. side of the Niagara River. Following that visit he said that he was calling for an urgent series of meetings amongst Government at all levels. He also said the reason for these meetings was that:

• (1450)

—only a fraction of the 2,000 potentially harmful substances that have been detected in the Great Lakes basin ecosystem—

—have been identified. Then, in the same breath, the Minister went on to say:

There is no reason to be concerned about the present drinking water quality of water in the Great Lakes.

Can the Minister explain to the House what he means by that kind of a contradictory statement? There is either a problem, or there is not a problem. All the evidence indicates that there is a very serious problem, yet the Minister attempts to brush it aside by making that kind of a statement. It does not make sense, Madam Speaker.

Hon. John Roberts (Minister of the Environment): Madam Speaker, yes, I will explain the statement. Perhaps the most useful thing I can do is to refer the Hon. Member to a series of articles appearing at the present time in *The Globe and Mail*, which very clearly make exactly the same point.

There is no reason to doubt that the present health standards are being met. What we are finding in the water confirms not only that the water quality well and easily meets the standards established by Health and Welfare and also by the World Health Organization. The problems that we are detectin now, however, give us concern for the longer term development of water quality in the Great Lakes. If the Hon. Member looks carefully at the speech I made last night, and if he looks carefully at the articles which have appeared in *The Globe and Mail*, I think he will find a very clear explanation of the difference between the short-term situation and the long-term challenge it presents.

Mr. Young: Madam Speaker, I did not read his speech but I certainly read the press release.

POLLUTION CAUSED BY UNITED STATES DUMPS

Mr. Neil Young (Beaches): Madam Speaker, in the Minister's press release he expresses great concern about the Hyde Park site, the "S" area site, the Love Canal site, and others. The Minister points out that the pollution is certainly stemming from those sources and that the U.S. Government is not taking enough speedy action to clean them up. Will the Minister tell the House whether he has considered taking any legal action against either the U.S. Government or the owners of those dump sites to protect the drinking water supply of some four million Canadians around Lake Ontario?

Hon. John Roberts (Minister of the Environment): Yes, Madam Speaker, we have considered that course of action. If the Hon. Member would refer to past answers that I have given to the House, he will see that we have explained why we do not believe it is useful for the federal Government to institute legal actions.

We have a variety of means of redress which we exercise with the American authorities. I think it would be unwise for us to abandon, as practically would be the case, our alternative remedies by relying on the court process. If we were to enter legal action it is very possible, indeed probable, that the American administration would say, "Since you entered the legal process we must abide by the results of that process". In fact that process is a very lengthy, time consuming one. While we have supported, in a variety of ways, groups which do intervene in the American legal process, simply in terms of practicality and in maximizing the means by which we have to call upon the American administration for redress it would be unwise for us to restrain ourselves, or restrict ourselves to the legalistic approach.

I think the Hon. Member will find, if he looks at the record, that there has been a long discussion and description of why it is we have taken that approach in terms of the federal Government's involvement in legal action.

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NATIONAL ENERGY PROGRAM

EFFECT ON WESTERN CANADA

Mr. John Thomson (Calgary South): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Does the Minister appreciate the degree of devastation that has been caused in western Canada by the National Energy Program?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I do not know if that is a very appropriate question. I could go on and explain all the policies, the advantages, and the convenience of every policy.

Miss MacDonald: Don't try it.

Mr. Chrétien: I think the Hon. Member should realize at this time that in western Canada I am having very good relations with the Government of Alberta. When I meet representatives of the industry, they receive me very well. In fact in Calgary the other day 1,650 people from the Chamber of Commerce came to hear me. It is certainly not a very hostile climate.

Miss MacDonald: It is what they said afterwards that you should have listened to.

MINISTER'S POSITION

Mr. John Thomson (Calgary South): Madam Speaker, does the Minister seriously believe that that in any way answers the question that I have just asked? Does he really seriously believe just what he said—because people come to see him that he understands the degree of the devastation which the National Energy Program has caused in western Canada? That is no answer at all, Madam Speaker.

Some Hon. Members: Hear, hear!

Madam Speaker: Order, please. I am afraid the Hon. Member is not asking a question. He is simply expressing a view which he is entitled to have, but it is not really a question of such magnitude, and it is very difficult to answer in a Question Period. The Hon. Member for Red Deer (Mr. Towers).

Mr. Chrétien: I would like to answer the question, Madam Speaker.

Some Hon. Members: Sit down.

Mr. Chrétien: I have followed the press very closely—

Some Hon. Members: Sit down.

Madam Speaker: Order, please. The Hon. Member for Red Deer.

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CANADIAN DAIRY COMMISSION

RCMP INVESTIGATION—PRESENTATION OF REPORT

Mr. Gordon Towers (Red Deer): Madam Speaker, in view of the dissatisfaction of the Auditor General with the management of the Canadian Dairy Commission, my question is for the Minister of Justice. In view of the fact that the RCMP have undertaken an investigation of the Canadian Dairy Commission, can the Minister of Justice tell the House when its report will be forthcoming?

Hon. Mark MacGuigan (Minister of Justice): I will take that question as notice, Madam Speaker.

REQUEST THAT MINISTER MAKE REPORT TO HOUSE OF COMMONS

Mr. Gordon Towers (Red Deer): Could we have the understanding, Madam Speaker, that the Minister of Justice will be making a report to the House of Commons when it is forthcoming?

Hon. Mark MacGuigan (Minister of Justice): I will certainly consider that suggestion, Madam Speaker.

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ENVIRONMENTAL AFFAIRS

NIAGARA RIVER—UNITED STATES POLLUTANT SOURCES

Mr. Joe Reid (St. Catharines): Madam Speaker, my question is for the Minister of the Environment, following his visit to Niagara yesterday. Recognizing, as the Minister does, that most of the sources of pollutants are on the American side of the river, what commitment did the Minister get from his colleagues on the American side to remedy some time—sooner, not later—the problems of those source pollutants?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I did meet with the new Secretary of the U.S. Environmental Protection Agency, Mr. Ruckelshaus, a couple of weeks ago. Yesterday when I was in the Niagara region I did meet with the regional EPA administrator and discussed exactly those issues with her. I do believe the American administration is looking now for ways of acting rather than simply studying these problems. I was encouraged yesterday that the American Government announced it will be using superfund moneys, something like $700,000 as an initial step, in application to the toxic site problems in the Niagara Peninsula. I hope that is a first step and not a final step.

There are some reasons to be encouraged by what appears to be a new attitude taken by the new team in EPA in Washington. But I suggest that it is still important for us to continue with our representations and urgings that the United States take prompt action to respond to these problems.

ACTION TAKEN IN UNITED STATES

Mr. Joe Reid (St. Catharines): Madam Speaker, the Minister knows that he himself stated that his proposed tri-government level approach is a short-term approach. The Minister has not answered this afternoon anything different from what he has answered on previous occasions. Will he then, if he will not initiate proceedings against U.S. authorities that are polluting the Niagara River, join with the other intervenors in opposition to the "S" area contaminant site?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I have not announced anything particularly new in answer to the questions today because the questions are the same old questions we have continually been receiving, and the answers are the same. I have already explained. If the hon.

gentleman had been more interested in listening to the question posed by his colleague in the New Democratic Party he would have realized the question he has now asked is one I have already answered previously today.

I have given as full an explanation as I can, not only today but in the past, about why it would be unwise to confine ourselves to the legal processes as a means of getting redress for these situations in the United States. We must use the whole array of instruments available to us. Those include direct government representation, public information programs, and assisting groups who do intervene in the legal processes. But it would be unwise, impractical, and counter to our interests if we were to intervene directly in the American court process ourselves.

* * *

TEXTILES AND CLOTHING

GRANT SOUGHT BY EDMONTON PLANT

Mr. Douglas Roche (Edmonton South): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce, to whom I gave notice. My question concerns the possible loss of 600 jobs in Edmonton in the textile industry. Will the Minister support an application by GWG of Edmonton to the Canadian Industrial Renewal Board for a $200,000 grant that will enable a $700,000 modernization program to take place, undertaken by GWG? That would save 600 jobs in the hard hit textile industry at a time when the unemployment rate in Edmonton is at a very high 13 per cent.

• (1500)

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, based on the information which the Hon. Member has given me, it seems like a very legitimate application. I will discuss it on his behalf with the officials of CIRB.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Monday, June 6, 1983, meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

STANDING ORDERS AND PROCEDURE

PRESENTATION OF SEVENTH REPORT OF SPECIAL COMMITTEE

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, with the consent of and in the name of the Hon. Member for Pontiac-Gatineau-Labelle (Mr. Lefebvre), I have the honour to present the Seventh Report of the Special Committee on Standing Orders and Procedure in both official languages. I want to say to the House that this is the famous "Huntington-Lachance" report which has now been the light of day in this particular form.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

* * *

PETITIONS

MR. BLENKARN—PROPOSED CANADA HEALTH ACT

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I have the honour and privilege today to present a petition on behalf of the Peel Chapter of the 43,000-member Registered nurses Association of Ontario who wish to call on Members of Canada's Parliament to ensure that the proposals of the Canadian Nurses Association for health care are included in the drafting of the new Canada Health Act.

MR. SCHELLENBERGER—RECONSIDERATION OF BILL C-85

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, I have the duty to present a petition on behalf of my constituents. The purpose of this petition, signed by a number of citizens in central Alberta, is to register concern over Bill C-85, an Act to establish a corporation called Canagrex. The nature of this petition is to have Clause 14 removed from the Bill.

The petitioners hope, Madam Speaker, that in your examination of their petition you will find the petition in order, sense the urgency of their plea, and that you might use the powers of your office to allow for discussion and further debate on this matter.

MR. ANGUISH—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, it is my duty and honour today to present a petition on behalf of some 72 students of the North Battleford Comprehensive High School in the City of North Battleford. They are concerned about and opposed to the testing of the Cruise missile on or over Canadian territory. And as in duty bound your petitioners will ever pray.

Order Paper Questions

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the honour to present a petition to the House of Commons from a number of residents of the community of Prince Rupert, British Columbia. Those citizens ask that Canada create a marine industrial strategy which would allow thousands of jobs and billions of dollars in industrial benefits to accrue to Canadians. In addition, I would indicate that the Government of Canada should produce legislation to implement the recent marine policy put forward, and finally that there should in fact be serious consideration of the Canadian frigate program with the two-two-two split in eastern Canada, central Canada and western Canada.

MR. ALTHOUSE—RETENTION OF CROWSNEST PASS RATES

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, it is my duty and honour to present a petition from the residents of Mozart, Saskatchewan, who now exercise their right to present a grievance. They humbly sheweth that the Crow rate is basic to the bargain of Confederation made with the people of western Canada, that changing the Crow rate will drastically reduce farm incomes and will effectively destroy the competitiveness of Canadian grain on world markets, and that three royal commissions have recommended that the Crow rate must remain.

The petitioners humbly pray and call upon Parliament to maintain the Crow rate into perpetuity as presently guaranteed in statute.

* * *

[*Translation*]

CUSTOMS ACT

MEASURE TO ESTABLISH

Hon. Pierre Bussières (Minister of National Revenue) moved for leave to table Bill C-162, an Act respecting Customs.

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

* * *

[*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 question will be answered today: No. 4,791.

[*Text*]

SURPLUS PUBLIC SERVANTS

Question No. 4,791—**Mr. Herbert**

1. What is the total number of supernumeraries or vulnerable employees in the Public Service?

2. In the last year, how many have been (a) added to (b) removed from the list?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. In the Public Service, employees whose jobs are abolished as a result of the discontinuance of functions or the lack of work, are identified as being "surplus" to operational requirements and are notified in writing that they are "surplus". The notification has to be sent to employees at least three months before the date the functions are no longer needed. This surplus period is a period of redeployment, that is to say, during that time the Department and the PSC concentrate their efforts on appointing these people to vacant positions elsewhere in the Public Service. At the end of this period, however, if offers have been turned down or no job has been found, the employee is laid off. The term "supernumeraries" or "vulnerable employees" is used in some Departments to refer to employees who are likely to become surplus but have not yet been declared surplus. When Departments refer to employees as being "supernumerary" or "vulnerable", it is normally because they expect to find other jobs in their own Department for the employees.

At the end of April, 1983, there were 705 surplus employees in the Public Service on the surplus priority list.

2. During the fiscal year 1982-83, 1,128 were declared surplus and added to the priority list. During the same period 956 employees were removed from the list.

[*English*]

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

[*Translation*]

Madam Speaker: The question mentioned by the Parliamentary Secretary has been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CANAGREX

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-85, to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from

Canada, as reported (with amendments) from the Standing Committee on Agriculture; and Motions Nos. 1, 6, 7, 8, 9, 10, 11 and 12.

Mr. Marcel Roy (Laval): Madam Speaker, before recess, I was explaining what was the situation when the Liberal Government decided to set up marketing boards so as to provide producers with a higher income and more especially greater income stability because of the substantial increase in production costs. The Opposition was against that plan. The arguments they put forward then were exactly the same as those I heard during the 85 hours this bill was considered in committee and discussed in the House. So much for the evolution of Conservative thinking. If the Canadian people had had to wait for that evolution, many bills would never have seen the light of day. What I find most surprising however is their difficulty in taking a stand or in agreeing on a program. Opinions are always divided.

I referred earlier to marketing boards, mentioning what they have meant for poultry, broiler and egg producers. At the moment, we are not dealing with a marketing board. The purpose of Canagrex is to facilitate and promote the export of agricultural and food products from Canada. There is no need to look any further than the position of the Progressive Conservatives about the whole slate of Bills introduced by the Liberal Government. Take the Crow rate alone, again a source of division within the Progressive Conservative Party. The issue of Canada Day was raised earlier this afternoon and, sure enough, they were divided again. It stands to reason that the Progressive Conservative Party simply cannot be unanimous in endorsing Canagrex. During the leadership campaign, I would have liked to hear the candidates say where they stand on health programs in Canada. The subject was not even mentioned because they have no definite policy on those wide ranging programs which concern the people of Canada. None of the leadership candidates—

• (1510)

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member is getting too far away from the subject or the amendments now before the House. He has just introduced an entirely new element in the debate. I would urge the Hon. Member to relate his comments as much as possible to the amendments now before the House.

Mr. Roy: You are quite right, Mr. Speaker. But the reason why I used that argument is that I was talking about the approach and the philosophy of a party, and I will use an example to illustrate again—

The Acting Speaker (Mr. Corbin): Order, please. I apologize to the Hon. Member for Laval (Mr. Roy), but I should like to remind him and other Members that we are now at the report stage, that the scope of the debate is considerably reduced, and that speeches must be relevant to the regrouped amendments. It is true that we are now studying over half a dozen amendments, but remarks such as the Hon. Member's would be more appropriate either on second or third reading. So, again I would urge the Hon. Member to co-operate and keep his remarks within the ambit of the amendments.

Mr. Roy: Mr. Speaker, I was talking about philosophy, and I do think this is relevant to the Bill. I am referring to the speech made by the Member for Moose Jaw (Mr. Neil), and that is where attitudes and philosophy come in. We were comparing Canagrex. Mr. Speaker, Canagrex will have exactly the same powers the Canadian Wheat Board has now. We only want to give Canagrex the same powers as the Canadian Wheat Board. However, as soon as the Canadian Wheat Board is mentioned, the Progressive Conservatives get upset because the Board is the West's baby. We in the East are proud of the Canadian Wheat Board. All we want is an agency through which Canadian products will find their way more readily to export markets. This is extremely important to Canada, because our domestic market is limited to 24 million consumers, and 50 per cent of Quebec and Canada's products and food products are exported outside the country, because, as I said, our domestic consumption is limited. Perhaps I may draw a parallel with the situation in the United States, which has 10 times as many people and where exports represent only 30 per cent of their income, while in Canada, farm producers depend on export markets for 50 per cent of their income. That is why we want to have a mechanism through which we can continue to develop our export markets—and that mechanism is Canagrex—in order to help producers increase sales and expand their markets.

Canagrex has no power to be in a monopoly position with respect to any product whatsoever, and this is quite clear in the legislation and applies to both exports and imports. It is not a marketing board, a subject to which I referred at the beginning of my speech, which plans production on the basis of demand, so as to guarantee the producer a steady income, more directly based on his production costs and reflecting a satisfactory profit margin. That is the purpose of marketing boards, and the principle is now being applied to the market for roasting chickens, poultry and eggs. The Opposition has objected to those boards systematically, and similarly. It is objecting again today to the Liberal Government's decision to implement certain plans. They would rather kill the issue here and now. They prefer the status quo to whatever measures we have introduced. They said no to the Crow rate. What is wrong with the status quo? Do not touch the marketing boards! Do not change the Crow rate! No to Canagrex! Do not touch it! They go along with the principle, but they refuse to give the Government any power. They buy the machine, not bad, but no gas, no power! That was more or less the attitude embodied in the amendments moved by the Opposition on July 19, 1982, and today, they are blaming us for imposing closure on a debate

that has already gone on for 85 hours in committee. The amendments were brought in on July 19, 1982, and today again, they are indulging in systematic obstruction because all they know how to say is no.

However, their differences on the subject of national policies have put the Progressive Conservatives in the Opposition for several decades, and those differences, their inability to agree on national policies, will continue to keep them in the Opposition, Mr. Speaker.

They referred to—

The Acting Speaker (Mr. Corbin): Order, please! The Hon. Member's time has expired.

[*English*]

Hon. Ron Huntington (Capilano): Mr. Speaker, for the Government to bring Canagrex, Bill C-85, into the House of Commons when it has probably less than ten days of Government business between now and the date of rising for the summer recess is nothing but public mischief. The trouble in the country today is that the people have lost all trust and faith in this Government. This Bill leads to control over individual lives, control over the Canadian farming community and Canadian farmers and control over businesses in the food chain.

This is not a farmers' Bill. It is not an agricultural Bill. It is a Bill that will touch the lives of all of us in Canada. It is just like the Government's mischief in turning 180 degrees on the Gilson formula for the resolution of the Crow debate in Canada. It is doing this in the dying hours of this session, provided we do not come in and renew it on July 4 or later in the fall.

Very few people have their eye on the real game that is being played and won in Ottawa. We all have a tendency to get locked into our own thing around here or to have our attention diverted by deliberate confrontations with labour, the Provinces, businesses and regions in this country. We just heard a speech by the Hon. Member for Laval (Mr. Roy). That is just trying to dig up regional alienation and confrontation. We are allowing mega-political change to take place in this country without an electoral mandate.

Before you worry about my speaking to the Bill, Mr. Speaker, I want to advise you that I am speaking to Motions Nos. 1, 6, 7, 8, 9, 10, 11 and 12, all grouped together. This means that in ten minutes I have to speak in rather broad, general terms. I therefore ask your forgiveness if I do not stay within specific limits.

On the point that I am making, in the weekend paper Mr. Tetley had his finger on the kind of mischief we are getting into in this House in our political alienation and the antagonism that is developing within regions. Speaking of the next election, Mr. Tetley said:

> But don't ever count the dreaded Grits out of the big race that is yet to come.
>
> When the Party that brought you Japanese internment camps in the Second World War starts worrying about racism and bigotry, you can bet there is something up their sleeve other than somebody else's silverware.
>
> Save Quebec they whisper and ethnic the hell out of Ontario. Screw the West and we'll win again.

• (1520)

That seems to be the type of mistrust that is developing in the country, especially on the part of some of us out West, in response to the Government's attitude in bringing in Bill C-85 in the last hours of the session. What has the Government done to the potential we had? The Minister of Transport (Mr. Pepin) had the potential to create a very positive debate on the Crow and implement the Gilson proposals right in the palm of his hand. But I want to tell you, Mr. Speaker, that the way he went about it was not rough, tough politics. He had pacified the country in a very intelligent way. That is what the Minister of Agriculture should be doing with this Bill instead of imposing closure on it and forcing the hand of the House on something of this magnitude that affects the lives of every Canadian, the whole food industry in the country and changes the whole structure and nature of the country. Instead of that, he is trying to pull this kind of a trick. No wonder some of us are annoyed.

Today we have heard much from the Minister and from the Hon. Member for Laval. They have indicated that we as a Party were gifted in the art of putting Crown corporations in place. That is quite true, but if the Hon. Member for Laval knew anything about Crown corporations, he would know that they have a history. First we were in a pioneering phase, then we were in a depression phase. There then followed a wartime period. Mr. Howe, a great Canadian, created 32 Crown corporations during that national emergency. Only one of those Crown corporations was phased out after the war.

Following that phase, there was a nationalism and patriotism phase that created further Crown corporations. We then went to the mixed enterprise phase that the Right Hon. Prime Minister (Mr. Trudeau) introduced in 1968 in order to create a mixed economy, and Crown corporations were used for that. Then from 1972 on, Mr. Speaker, we went to a proliferation phase.

I can remember when Treasury Board officials were asked in committee how many Crown corporations there were, they did not know. Four months later they came back with an inventory of 387 Crown corporations. That is what has happened to the country. We have allowed a subgovernment across the country to remove power from the House of Commons. We have transferred power, and it is this raw, bald power over freedom, over lives, over the right to choose that we have transferred to this subgovernment. It is a power that you and I will never have, Mr. Speaker. Kings and queens do not have the kind of power that some of the officials of these Crown corporations have. The new emperors of Canada are the Maurice Strongs and the Jack Austins. These are the men who are in control of a power that is beyond belief. Kings and queens have never had that kind of power. I as a Member of Parliament who represents people from western Canada want that power restricted.

Some Hon. Members: Hear, hear!

Mr. Huntington: I want the House of Commons to start doing its job, to show some responsibility by pulling some control back into the House of Commons. Backbenchers must start serving the people, not these bureaucrats and appointees and these ideologues who control these corporations. The situation has become so dangerous that we are losing our freedom to choose. It is time some of us got angry and did something about it. I would like to hear free speeches from Government backbenchers in order to get the matter under control.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please! The Hon. Member for Laval (Mr. Roy), on a point of order.

Mr. Roy: Mr. Speaker, I am being accused of saying things I never said. When I talked about the question of powers, I meant that in that case, most members of the board are taken from the private sector, and it is not a matter of having all the powers of a Crown corporation, because I have a great many reservations as to the activities of a number of Crown corporations, and I would refer the Hon. Member to a speech I made previously—

The Acting Speaker (Mr. Corbin): Order, please! This is obviously a contribution to the debate and certainly not a point of order.

[*English*]

Mr. Huntington: Mr. Speaker, as that was not a point of order, could you please add two minutes to the time allotted to me? The Hon. Member was only trying to break my train of thought and disrupt a message that I have for the people of the country.

You heard from other speakers today, Mr. Speaker, including the Hon. Member for Red Deer (Mr. Towers), that there are 32 powerful organizations and associations in the food industry and the agricultural industry in western Canada that are dead against this Bill. Provincial Premiers are against this Bill as well. One provincial Minister of Agriculture calls this Bill a piranha in a goldfish bowl. I have spoken to the Agriculture Minister of British Columbia and he is against this Bill. Yet the Government continues to ram it through under closure even when it creates this kind of alienation, temper and concern in the country. It is dangerous to try to force this Bill through in the final hours of this session.

I want to remind you, Mr. Speaker, that the Government under this Prime Minister has three basic priorities. The first priority is the control of culture and communications. Look at what has happened in this session with the Kent Commission and the Applebaum-Hébert Report under Jacques Hébert. Look at Pierre Juneau who, along with the Prime Minister and the Minister of Finance (Mr. Lalonde), was one of the drafters of this strategy back in 1964. Where is he now? He is the head of the CBC and is now rewriting the Broadcasting Act. Culture and communications are very important to the Government. We will be controlled by a great cultural wave.

[*Translation*]

Mr. Dionne (Chicoutimi): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Corbin): The Hon. Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne), on a point of order.

Mr. Dionne (Chicoutimi): Mr. Speaker, I was listening to my hon. colleague speaking to Bill C-85, and I must say he completely by-passed the subject, as usual. I would therefore ask the Chair to ask the Hon. Member to speak to Bill C-85.

[*English*]

The Acting Speaker (Mr. Corbin): Order. The Hon. Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) has invoked the rule of relevancy. As usual, the Chair has been listening intently to the speech now being made and the Chair finds itself in some difficulty. In a sense, the remarks made by the Hon. Member for Capilano (Mr. Huntington) are related in a general way to the subject matter now before the House. Of course, in case of doubt the Chair must exercise lenience in favour of the Member who is speaking. Nevertheless, all Hon. Members should be guided by the general rule of relevancy and should try to stick with it as much as possible.

Mr. Huntington: Mr. Speaker, I trust that you will add another three minutes to my allotted time, and I thank you for your courtesy and your consideration.

The second fundamental priority of the Government is control of energy through the central Government. It is removing control of resources from the Provinces.

Let me now deal with the third priority. Just go back and look at the Government's legislative timetable. The third priority of the Government is state control over the food chain. That is what Canagrex is all about. Canagrex is nothing but another national energy policy, but this time it is designed to control food. The Minister of Agriculture can shout across the House and say: "Those words are in the Bill but we will not use them; I said in committee that we would not use them". If he does not require the powers contained in the Bill, all he need do is remove the buy-sell powers, listen to the amendments suggested by the Hon. Member for Wetaskiwin (Mr. Schellenberger) instead of turning a deaf ear to them, and he can have the Bill. In committee we told him repeatedly that all he has to do is remove the buy-sell powers and he can have the Bill. I doubt, Mr. Speaker, that what the Government is doing is something that even the Hon. Minister of Agriculture understands. He is under instructions from his chief, the Prime Minister. He does not even know what he is really doing. He senses the presence of power that can be given to friends who will be put in charge of this corporation.

What about those who run food businesses and are of a different political ideology? Will those people ever have a chance if they are not in the political favour of the Party in power that controls an organization like Canagrex? No, the freedom of choice is disappearing with this kind of legislation. Canagrex, Mr. Speaker, is empowered to purchase agricultural

and food products and package, process, store, ship, insure, import, export, sell or otherwise dispose of products purchased by it. It is empowered to make grants and contributions for the purposes for which it was established and to purchase, lease or otherwise acquire and hold real personal property for actual use by Canagrex.

Those powers, Mr. Speaker, are awesome and dangerous when the House of Commons and the Auditor General do not even have the power to overview, audit or question professionally the people who comprise this subgovernment through the power that is distributed to friends and ideologues. That is what is at issue in this Bill. This is not the hour in Canada's history to be shoving this Bill down our throats under the force of closure!

• (1530)

Some Hon. Members: Hear, hear!

Mr. Huntington: Canagrex, Mr. Speaker, can create a state monopoly for the export of agricultural products along the lines of such trading bureaucracies as exist in the socialist countries. My goodness, can we not learn from the experience of others who stifled and smothered initiative, the right to be free and the right to make a decision in the agricultural communities and the agricultural processing communities? When are we going to learn in this country? Why do we have to throw away that heritage and that freedom which we were given? That is what this Bill is doing, Mr. Speaker. What is happening with this avalanche of Crown corporations is the transferring of power out to ideologues and to "friends" and to people who are not answerable or accountable to the people of Canada. It is time we stopped it, and the time to stop it is with this Bill right now. Wait until we catch our breath. The Government does not need it right now. It is not going to add anything to this country. It is just going to damage us and create more regional antagonism and, of course, that is their very game.

[*Translation*]

Mr. Dionne (Chicoutimi): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Corbin): The Hon. Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne), on a point of order.

Mr. Dionne (Chicoutimi): I would like to ask the Hon. Member how many times he attended the meetings of the Committee on Agriculture?

An Hon. Member: Never!

The Acting Speaker (Mr. Corbin): Order, please. Before asking a question, the Hon. Member must obtain the consent of the Hon. Member who just finished speaking.

Mr. Dionne (Chicoutimi): Mr. Speaker, does the Hon. Member agree to my asking him a question?

The Acting Speaker (Mr. Corbin): That requires the unanimous consent of the House, because the Hon. Member's time has expired.

[*English*]

Is there unanimous consent to allow the Parliamentary Secretary to ask a question?

Mr. Mayer: Not from a bunch of goofs like you guys, that is for sure.

Some Hon. Members: No.

The Acting Speaker (Mr. Corbin): I gather there is not unanimous consent.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Corbin): Order. Order.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, like other Hon. Members, I rise to speak on this Bill C-85, at the report stage, in a dispute which is totally unnecessary because, as you will know, Mr. Speaker, at second reading we said that this Bill has three provisions: the first one is to promote the export of agricultural production from this country, and on that heading we agreed totally; the second is the establishment of credit facilities in order to help companies financially to compete against other companies which were subsidizing the export of agricultural products, and with that heading we agreed completely. However, right from the start we have disagreed with the third part of this Bill because we know it is part of a broader scheme referred to by the Hon. Member for Capilano (Mr. Huntington), with whom I agree 100 per cent, that is, the clauses wherein Canagrex can become the Petro-Canada of the food industry in that it has broad powers to buy and sell. That has been the basis of our opposition, Mr. Speaker, right from the start. The Government could have had the Canagrex Bill within one hour, a speech from each of the three Parties, if it had discarded that third clause, the buy and sell provision. The people of Canada have to know that. Certainly those in the agricultural industry do.

I am speaking to eight of the amendments and I want to say to you, Mr. Speaker, that it is obvious that the Government will prevail with the alliance between itself and the New Democratic Party, because the NDP is going to defeat these motions before us which will take away the buy and sell provisions. The New Democratic Party is once again going to sell out the West. It is going to vote with the Liberal Government as it did on the Constitution, because, of course, you have a New Democratic Party which does not want people to own land. That Party opposes the right to property. Why would Hon. Members of that Party now stand and argue for a clause—

Mr. Skelly: A point of order, Mr. Speaker.

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

Mr. Skelly: Mr. Speaker, I believe that the Hon. Member over there is suffering from delusions, and I would ask that you bring in the point of relevancy again at this stage, with a test of rationality on this, of course.

Mr. Taylor: You are out of order.

The Acting Speaker (Mr. Corbin): Order.

Mr. Thacker: Mr. Speaker, the New Democratic Party is very nervous about that because it has lost a Government in the West over their ideological stand to block individuals from having the privilege of owning land. Therefore, the Party is very sensitive. It is also sensitive because it stood with the Government over the National Energy Program. However, I would like to explain to you why we put that argument against the buy-sell provision in this clause, why the amendments before you are to withdraw those buy-sell powers. There is some very good evidence which Hon. Members opposite should listen to. It concerns the growth of these Crown corporations, once we get them going. You would need to look, Mr. Speaker, at the most recent report from the Treasury Board, the Government's own document, which points out, for example, that Air Canada has five subsidiaries which it owns 100 per cent. It has seven subsidiaries which it owns 50 per cent to 99 per cent and there are 12 subsidiaries in which it holds less than 50 per cent interest. The CNR has 59 subsidiary corporations in which it owns 100 per cent of the shares. There are six subsidiaries of the CNR in which it owns 50 per cent to 99 per cent, and there are some eight subsidiaries in which the CNR owns less than 50 per cent of the shares. There is the CDIC which is just being put together now by 17 Orders in Council before a Bill was put before the House. It will be the most massive intervention in the civil and business part of this country which we have ever seen.

Let me give an example which is so typical of the attack on the West, Mr. Speaker, that is, the National Energy Program and the Petro-Canada legislation. You can ask me, Mr. Speaker, why we have all of these subsections to take out the buy-sell provision. Let us look at Petro-Canada. As you know, Mr. Speaker, Petro-Canada started in 1976. It has bought out three major private corporations, all of which were paying income tax to National Revenue. Petro-Canada pays a few dollars in but still takes out more than twice, in terms of parliamentary appropriations, of what it returns in income tax. Then there is the four cents a gallon tax. Let us look at the subsidiaries, Mr. Speaker. Since 1976, Petro-Canada has 44 subsidiary corporations in which it owns 100 per cent of the shares. It has two subsidiary corporations in which it owns between 50 per cent and 99 per cent of the shares, and it has eight subsidiary corporations in which it owns less than 50 per cent. That is a total of 54 subsidiary corporations which have now been taken over by Petro-Canada or set up by Petro-Canada. We must remember, Mr. Speaker, that they must all have their bureaucracies and those bureaucracies are appointed by the Cabinet. When the Hon. Member for Capilano says that we have corporations with more power than ancient kings and queens, he speaks the truth.

I believe, Mr. Speaker, in order to make the point so that the Government and the New Democratic Party will finally see the error of their ways and vote for these amendments, I am going to give you the names of those subsidiaries of Petro-Canada. And that is right on the major point which we are discussing. Subsidiaries held at 100 per cent are Canertech Conservation Inc., Pacific Enercon Ltd., Mechron Energy Ltd., 107744 Canada Inc.—

Some Hon. Members: Oh, oh!

Mr. Taylor: Oh, sit down, he is on the motion.

The Acting Speaker (Mr. Corbin): Order. Order, please. The Chair would ask the Hon. Member for Lethbridge-Foothills (Mr. Thacker) to indicate in what way the list of companies he is now putting before the House is related to the specific amendments now before the House.

Mr. Malone: That should be very obvious.

Mr. Thacker: Mr. Speaker, we have eight motions which take the buy-sell provisions, the state corporation dimensions, out of Canagrex. And I am, by way of illustration, pointing out to you how important these amendments are because since 1976, Petro-Canada, as an illustration, has now 54 subs and sub-subsidiary corporations. In order to make that point, I want to list them. I want to stick it down the throats of those guys sideways, if I can, so that they finally speak up and stop being "yes men"—

The Acting Speaker (Mr. Corbin): Order. Order. I am sure the Hon. Member in his mind believes that the matter he is now raising is related in some way to the specific amendments. However, even though the amendments have been regrouped for the purpose of debate, I must ask the Hon. Member to indicate to the Chair to what amendment or amendments the matter he is now raising relates? The chair finds it difficult to make the connection. Of course, the Chair may be totally wrong; it sometimes happens. The Hon. Member would be helpful if he could explain the matter a little more.

• (1540)

Mr. Thacker: Mr. Speaker, I thought I had when I was explaining to you that, by illustration, you can often show just how damaging the clauses in this Bill are. That is the reason we have these eight amendments to take out the buy-sell power, the state trading corporation aspect. I seek your ruling on this, but it seems perfectly clear to me that an illustration from another example within the last few months can show you clearly that there is danger in this Canagrex Bill. That is why I intend to carry on, Mr. Speaker, unless you rule me totally out of order. I think the House needs to hear this.

Some Hon. Members: Hear, hear!

Mr. Thacker: Mr. Speaker, I am listing as follows the 100 per cent fully owned Petro-Canada subsidiaries: Drilling Inc.; Petro-Canada Consulting Corporation; Petro-Canada Exploration Inc.; Asher American, Inc.; Big EAgle Oil & Gas Ltd.;

Aquilla Holdings Ltd.; Fifth Pacific Stations Ltd.; GMI Co. (Bahamas) Limited; Opal Oils Limited; Commodore Oils Limited; First Pacific Stations Ltd.; Second Pacific Stations Ltd.; Third Pacific Stations Ltd.; Fourth Pacific Stations Ltd.; Pacific Petrochemicals Ltd.; Pacific Pipelines, Inc.; Pacific Petroleums (Overseas) Limited; Petro-Canada Enterprises Inc.; Arctic Islands Resources Ltd.; Independent Fuels & Lumber Ltd.; Joseph Elie Limitée; March Dufresne (1979) Inc.; Petro-Canada Chemicals Inc.; Petro-Canada Espanola S.A.

The Acting Speaker (Mr. Corbin): Order. The Hon. Member for Comox-Powell River (Mr. Skelly) is rising on a point of order.

Mr. Skelly: Mr. Speaker, there can only be one reason for such an animated reading into the record of the list the Hon. Member is reading at this time. He must seriously be considering a last minute bid for the leadership, because he is certainly not relevant to what is being debated in the House today.

Mr. Taylor: At least he is talking to the point; that is more than you did.

The Acting Speaker (Mr. Corbin): Order. The Chair is exercising considerable leniency in ruling in favour of the Hon. Member for Lethbridge-Foothills. It seems to me the matter is rather on the borderline at this stage.

Mr. Thacker: Mr. Speaker, you can see the point being made. The people who want state control and ownership are very upset about this. All these corporations have come out since 1976. I am going to tell the Canadian people about it, and they are going to listen because they now see the danger of that Government.

Why do we need Petro-Canada Espanola S.A.? Why do we need Petro-Canada Norway A.S.? Why do we need Petro-Canada Petroleum Inc., Petro-Canada Products Inc., Petro-Canada Resources, Petro-Canada (U.K.) Limited, Petroleum Transmission Company, Petron Petroleum Ltd., Rocair Limited, Tri-Mountain Petroleums Ltd., Value Serve Stations Ltd., or Venezuelan Canadian Oils, C.A.?

The Acting Speaker (Mr. Corbin): Order. The Chair must really bring this matter to some finality. In the Chair's opinion, the Hon. Member has departed considerably from the subject of the amendments at hand.

Mr. Thacker: Mr. Speaker, I accept your ruling.

The Acting Speaker (Mr. Corbin): I must invite the Hon. Member to relate his comments to the object of the amendments. Some of them deal with loans and guarantees, others with financial arrangements, the promotion and trade of agricultural produce and so on. The orientation of the Hon. Member's speech is really taking us into the field of energy per se, which is another substantial matter which ought to be debated at another time. I invite the Hon. Member to relate his remarks to Canagrex.

Mr. Thacker: Mr. Speaker, I could read on and on from the list of Petro-Canada subsidiary corporations, but I certainly accept your ruling that it might not be strictly relevant. I think the point has been made. I can tell Members opposite, some of them who come from eastern European countries and should know better because they have friends and relatives who are living and suffering in those countries right now, that this Canagrex legislation is going to be exactly the same.

Mr. Blais: Don't be silly.

Mr. Thacker: It will not be tomorrow; it will be two years or five years down the road, and I will be standing up here reading a list of corporations which are subsidiaries of Canagrex. When the Estimates came in, I stood and asked the President of the Treasury Board (Mr. Gray): "Will this be all?" They were bragging about how it was only a 10 per cent increase over last year. I pointed out how the increases are always up 17 per cent when the Supplementary Estimates come in. He stood up and said "Oh, there will be no Supplementary Estimates. Don't worry about it, Mr. Thacker". Well, in fact we have already had one set of Supplementary Estimates for $1.3 billion. The federal Government spending will be up 17 per cent this year, as it has been for every year recently.

Within a very few short years, Mr. Speaker, Canagrex will have itself subsidiary corporations which will take over more and more of the food industry. The cost, which is the important point, will come out of taxpayers' pockets. Ordinary Canadians will be paying for the high, fancy salaries of dozens and dozens of directors and presidents of these corporations.

One of my amendments to this Bill is to make those salaries public. The Government rejects that because it does not want the ordinary Canadian to see how much some of the Liberal political friends are making in these appointments to jobs as presidents and directors. If the Liberals were not of that mind, Mr. Speaker, why did they not accept my amendment to make that information public? Why would they not put a limitation on the tenure of directors? My amendment would have done that, and the Government is going to reject it. It is just like the situation we found when we got in Government in 1979. Some of the Liberal's best friends had been appointed to powerful positions for ten years, I think in one case it was for 20 years. What kind of Government is that? These appointments should be limited to three years, with perhaps one renewal if they are lucky. After that we would bring other people in because that is a way of renewing and revitalizing these corporations and making them more sensitive. That is one of the amendments we want to make to this Canagrex Bill and it is not there.

In conclusion, Mr. Speaker, the main point we are trying to make is that these Crown corporations are a sub-Government. They permit an unnatural concentration of power and decision-making authority over the lives of other people, and they do it on a non-accountable basis to Members of Parliament, the elected representatives. If you talk to Canadians on the street, they believe that we as their elected representatives should be exercising some control over these corporations. But

we do not exercise that control. The fact of the matter is that the Government backbenchers, the NDP and the Official Opposition have no control over them. They are totally unaccountable to us and to Cabinet, and we have to solve that problem. If the Government would accept these amendments, that would happen.

Hon. J.-J. Blais (Minister of Supply and Services): Mr. Speaker, I will not be speaking very long but I simply wanted to register my views relating to the amendments before us and take issue with the comments made by my friend opposite.

Mr. Huntington: I think you have your nerve speaking on it at all. It is under closure.

Mr. Blais: Mr. Speaker, I get tired, as I am sure most other Members do, of hearing about these immense conspiracies afoot relating to the creation of Crown corporations in order to prevent the Canadian people from learning what is going on. I just cannot imagine that hon. gentleman saying and meaning those comments, especially—

Mr. Thacker: I rise on a point of order, Mr. Speaker. I look forward to the Minister discussing the 54 subsidiary corporations of Petro-Canada and whether or not that does indicate some conspiracy.

The Acting Speaker (Mr. Corbin): Order. That is not a point of order.

Mr. Blais: Especially when he knows, Mr. Speaker, that, in accordance with the rules under which we operate in this House, all the annual reports of Crown corporations are automatically referred to committee. Those committees can call upon those particular Crown corporations to come forward and be examined by them. Any amounts that are requested by Crown corporations from appropriations or through votes, approved by this Parliament, must all be reviewed by the parliamentary committees which are responsible—

• (1550)

Mr. Munro (Esquimalt-Saanich): That's not true.

Mr. Blais: —for those individual companies. We saw, in the Canadair question—

Mr. Huntington: I rise on a point of order, Mr. Speaker. I am sure the Minister does not want to mislead the House with that last statement. Crown corporations are not coming before parliamentary committees for proper examination. Most of them one cannot even identify.

The Acting Speaker (Mr. Corbin): Order, please. That is obviously debate.

Mr. Blais: The example in point is Canadair, Mr. Speaker, which was before two committees this morning.

Mr. Huntington: Because it just lost $1.4 billion.

Mr. Blais: It was before the Finance Committee and before the Public Accounts Committee at the request of the individual committees themselves and the Chairmen.

Mr. Taylor: I rise on a point of order. Mr. Speaker, you ruled the Hon. Member for Lethbridge-Foothills (Mr. Thacker) out of order for speaking of this matter. Surely to goodness, Your Honour will not now permit the other side to speak on it.

Mr. Rossi: Go back to sleep.

Mr. Taylor: It's all right for you, but not for anyone else. Let's have the same rules, eh?

Mr. Rossi: Go back to sleep.

An Hon. Member: You were snoring for awhile there.

Mr. Taylor: Let's have the same rules.

The Acting Speaker (Mr. Corbin): Order, please. The Chair feels that the Hon. Member for Bow River is quite right. In fact, the Chair was at the point of rising to invite the Minister to relate his remarks to the amendments before the House. The Chair invites all Hon. Members to do just that. It is a testy time, and the Chair is called upon to rule upon these differences, and especially to apply the rules. Surely, experienced parliamentarians would not want the Chair to rise every two or three minutes to remind them what the rules are all about.

Mr. Malone: I rise on a point of order, Mr. Speaker. What the Minister is doing is giving his view that Crown corporations are accountable. Coming to the point of order, I just—

The Acting Speaker (Mr. Corbin): I must immediately indicate that a point of order must have something to do with procedure before the House. It should not relate to points of debate. Therefore, if the Hon. Member for Crowfoot has a point of order, I would like to hear it.

Mr. Huntington: Get to your point of order.

Mr. Malone: I would like to point out, Mr. Speaker, that it would be quite acceptable for the Minister to continue in that vein as long as he quotes from the most recent Report of the Auditor General of Canada who has very carefully documented that thesis.

Mr. Blais: Mr. Speaker, at the outset I want to commend the Minister of Agriculture (Mr. Whelan).

Mr. Munro (Esquimalt-Saanich): Oh, no!

Mr. Neil: You did that last time.

Mr. Blais: In terms of the Canagrex Bill, you, Mr. Speaker, who have seen the development of this particular Bill, will know that it has had a very long history. There has been a great deal of determination on the part of the Minister of

Agriculture. He is promoting the Bill, and has been very flexible in committee on this Bill—

Mr. Huntington: Forgive him, Father, for he knows not what he does.

Mr. Blais: —in order to accommodate a great deal of the criticism which has been brought to our attention by Members of the Opposition. I personally feel that the Minister of Agriculture, who has held this portfolio for a number of years, has really been one of the most progressive Members of the Government. I am very pleased to be able to second him in the efforts he is making relating to this particular legislation.

It is not surprising that such a Bill has a hard time getting through the House. We have heard the howls from the Members of the Opposition. They seem to forget that Canada is an exporting country and that it is one of the four countries of the world which are exporters in agricultural products. As a matter of interest, last year our exports were over $4 billion to the good. We had a net export surplus of over $4.6 billion.

Mr. Huntington: Tell us about finished goods.

Mr. Blais: One of the major agents in securing that export is the Canadian Wheat Board. Anyone who attempts to tell me that the Canadian Wheat Board is somehow a creation of the private sector evidently does not know—

Mr. Thacker: Point of order.

Mr. Blais: —of what he speaks and, indeed, Mr. Speaker—

The Acting Speaker (Mr. Corbin): Order. The Hon. Member for Lethbridge-Foothills is rising on a point of order.

Mr. Thacker: In terms of procedure, the Hon. Member should know that the U.S. increased its exports by 500 per cent, and the Canadian Wheat Board by 50 per cent in the same comparable period. The United States does not have Crown corporations.

The Acting Speaker (Mr. Corbin): Order. That is debate.

Mr. Malone: It sure is.

The Acting Speaker (Mr. Corbin): The Minister has the floor.

Mr. Blais: Mr. Speaker, it has been recognized in the International Wheat Market that the Canadian Wheat Board is the most efficient and most competent wheat agency in the market at this particular time.

Mr. Whelan: In the world.

Mr. Blais: No one disputes that fact.

Mr. Huntington: It's the only one.

Mr. Blais: As a result of the presence of the Canadian Wheat Board, wheat farmers in western Canada have been able to bank upon their assets, knowing full well that they have one of the best marketing agencies involved in the marketplace trying to sell their product, and it has been sold quite effectively.

Mr. Neil: I rise on a point of order, Mr. Speaker. I wonder if the Minister is aware of the fact that the Wheat Board makes use of the private sector to carry out most of its sales.

Mr. Huntington: All of its sales in the private sector.

Mr. Blais: Mr. Speaker, that is exactly what Canagrex will be doing, in any event.

Some Hon. Members: Oh, oh!

Mr. Blais: I would also point out that there is another outfit called the Canadian Dairy Commission—

Mr. Huntington: Yes, it's under criminal investigation.

Mr. Blais: —which, again, is in the international marketplace liquidating some of the surpluses which are generated as a result of the productivity of the Canadian farmer—

Mr. Huntington: Why is the RCMP in there, looking at it?

Mr. Blais: —especially the milk farmer. As a result of its aggressive marketing, it has been able to liquidate large surpluses of powdered milk—and my friend, the Minister of Agriculture, will be able to support me in that—and other industrial milk products.

Mr. Huntington: You've picked the wrong corporation.

Mr. Blais: In effect, it has been very aggressive in doing that, and it has liquidated those surpluses, which the Europeans have had greater difficulty in doing, and which, indeed, the Americans as well have had greater difficulty is doing.

Mr. Thacker: Mr. Speaker, the CDC is so aggressive that it has had to have an Auditor General's audit, and it is being investigated by the RCMP. That's a great corporation.

The Acting Speaker (Mr. Corbin): Order. That is definitely an abuse of the invocation of the point of order.

Mr. Munro (Esquimalt-Saanich): The Minister has been abusing it. Tell the truth.

Mr. Huntington: What motion are you speaking to?

The Acting Speaker (Mr. Corbin): May we have some order, please? The best discipline is self-discipline. I would invite Hon. Members to abide by the rules and traditions of the House.

Mr. Malone: Ask Whelan to resign.

Mr. Blais: Mr. Speaker, I trust that the interventions by Members of the Opposition will not be taken from my allotted time. I know that I am making some telling points because they are jumping up like jackrabbits.

Mr. Munro (Esquimalt-Saanich): Telling what? Telling the truth?

An Hon. Member: Like jackasses.

Mr. Blais: Yes, perhaps. Maybe that is why they have to have their backsides refreshed from time to time.

I just hope that the philosophy which is being vented today by Hon. Members from the Tory Party who participated in the debate will be the views which will be advanced during the next federal election, because there is nothing that I would enjoy more than a repeat of the Petro-Canada debate. We know the exact result visited upon the Tories who were trying to defend their Government at the time of the 1980 election.

Some Hon. Members: Hear, hear!

Mr. Huntington: How many Liberals got elected in the West?

Mr. Blais: Having said that, it does not surprise me that the Minister of Agriculture has had a great deal of difficulty with Canagrex, because there has been a tendency on the part of the Conservative Opposition, the real Conservative Opposition, to react on most issues, as it is their wont, to react whenever there is an initiative taken to enhance our export capacity and capabilities.

Mr. Huntington: It's raw socialism and you know it, J.J., and you're all for it.

Mr. Blais: Mr. Speaker, that has been endemic in the Tory Party since the national policy of John A. MacDonald. I would recommend to the hon. gentlemen opposite—

Mr. Rossi: Where are you going?

Mr. Huntington: Right here. I won't be very far away.

Mr. Blais: —and even to the hon. gentleman who is leaving his seat, to read a recent book entitled "Not for Export" by Professor Glen Williams of Carleton University, wherein he explains the Canadian attitude toward export. The attitude of Canada and Canadian producers has been to satisfy the domestic market. We have had this particular weakness of not wanting to enter into the international marketplace. Indeed, we have suffered substantially as a result of that in the food producing sector. In effect, we are in a deficit position. We tend to export our agricultural products in an unprocessed form or after very slight processing. That has been our tendency because we have basically wanted to satisfy our domestic market. That has been one reason why we have experienced some huge deficits in the recent past in terms of finished products and manufactured products.

• (1600)

In effect, the attitude of the Tory Party vis-à-vis Canagrex is exactly that. The arguments which they have advanced are inaccurate. There were two very important amendments to Bill C-85 made by the Government in the committee with the expressed purpose of alleviating any fears that the industry might have regarding this important piece of legislation.

The main issue was the buy and sell provision. It was felt that this new Canagrex corporation would somehow compete with the private sector. We said time and again that Canagrex would be there to complement the private sector activity, not to compete with it. We are trying to introduce Canagrex in order to enhance the ability of Canadian agricultural producers to produce by providing them with an additional market. Its purpose is not to get involved in competition with the private sector. At no time has there been any indication of wanting to involve it in the private sector.

I happen to know of what I speak because indeed I run the Canadian Commercial Corporation through the Export Supply Directorate. We do not compete with the private sector. We are in the international marketplace complementing the activities of the private sector. I have asked the private sector to identify one instance when we were competing with them in terms of exports. Not once has there been an indication of any competition. Quite to the contrary, we have enhanced the ability of the small business sector in Canada and the manufacturing sector to enter into the international marketplace to market their goods. As a matter of fact, last year we increased the exports by 34 per cent to make over one-half billion dollars in exports from Canadian manufacturers. It is that sort of organization that we envisage with Canagrex, not a corporation that competes with the private sector.

There is nothing in this Bill to indicate that this company will be competing with the private sector. It is not in the tradition of Crown corporations in Canada to compete with the private sector. Of course, there are some minor exceptions to that rule. But they were introduced as a result of the Canadian Government and the Canadian people feeling that perhaps their participation in certain sectors was not sufficient to ensure that the national interest is protected.

The provisions of this particular Bill do not allow Canagrex to get involved in the production of food products or own land for the purpose of farming. That is clearly set out in the Bill. It cannot produce or get involved in the production of food.

Necessary changes were made to ensure that Canagrex will only act at the request of or in coordination with organizations, corporations or individuals who wish to take advantage of the opportunities offered under this legislation. Canagrex is saying that it cannot go out into the marketplace unless it is asked to do so. I should know what the Minister is talking about because that is exactly how my operation functions. We cannot go into the marketplace unless we are requested to do so. Sometimes I feel that this is a restriction, but nevertheless it is a provision in the Bill.

In effect, those fears that are manifested by Members opposite when talking about dark conspiracies and about the creation of Crown corporations that will somehow dictate to farmers what they should be doing in the marketplace are completely false.

Mr. Huntington: Sheep, sheep.

The Acting Speaker (Mr. Corbin): The Chair has extended time to the Hon. Minister because of the frequent points of order. I would invite another Hon. Member to rise.

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, it is indeed a pleasure to rise this afternoon and speak on this very important Bill. I hope to return the level of the debate to some form of sanity, because while it has been rather interesting it has been somewhat disappointing to hear some of the ridiculous statements that have been made from all sides.

I was especially surprised at some of the comments made by my friend, the Hon. Member for Lethbridge-Foothills (Mr. Thacker), who has since left the House briefly. He talked about the Liberal and NDP alliance. The Hon. Member for Lethbridge-Foothills is a relatively intelligent person whom I know reasonably well. We attended French classes together for a number of months when I first came here. Indeed, I might point out that if my colleague, the Hon. Member for Comox-Powell River (Mr. Skelly), was correct in suggesting that the Hon. Member is gearing up for a last minute bid for the leadership of his Party, I would suggest he has probably the third or fourth best capability of any of the candidates to speak the second language of this country.

Since the Hon. Member talked about the Liberal NDP alliance, I wanted to point out to him that during the life of this Parliament the Conservative Party has voted with the Liberal Government twice as often as the NDP has voted with the Government. Let me also point out the kind of legislation on which the Conservatives have supported the Liberals. They support the Liberals when it is in the interest of the banks in Canada, the oil companies in Canada and big business. When legislation deals with removing collective bargaining for many workers in this country how do they vote then?

Mr. Skelly: Still with the Liberals.

Mr. Sargeant: Still with the Liberals. When it comes to removing clauses from Government legislation that remove collective bargaining for workers in this country, the Conservatives certainly do not vote with this Party in opposition to the Government. The Hon. Member for Lethbridge-Foothills also said that we were selling out the West by supporting Canagrex.

Mr. Malone: That is right.

Mr. Sargeant: I would point out to my friend, the Hon. Member for Crowfoot (Mr. Malone), that this piece of legislation has the support of the Canadian Federation of Agriculture, which represents 300,000 farmers in this country. It has the support of the wheat pools in western Canada, which represent virtually every wheat grower in western Canada.

Who is selling out the West with this piece of legislation? Who has held it up for some three years now? The Conservative Party is selling out the West.

My friend, the Hon. Member for Lethbridge-Foothills, said that he was fearful of Canagrex growing and that it might become too big. What is wrong with that if Canagrex grows and helps farmers? Why are we here if not to help the people of this country? There is no single group in Canada which needs help more than farmers.

I am perplexed over the position the Conservative Party has taken to this piece of legislation. Today they are attempting to remove the buy and sell provisions in the Bill. According to Conservative logic, they would set up a company like Air Canada then take away its right to fly.

Let me review the history of this Bill to see how it has progressed over the three years it has been delayed by the Conservatives. This Bill began rather innocently when the Minister of Agriculture (Mr. Whelan) asked for unanimous consent to waive the normal 48 hours' notice needed to introduce new Bills in the House. He wanted to bring it forward in order to discuss it with agricultural Ministers and representatives at an agricultural outlook conference in the fall or early winter of 1981.

At the time, the Conservatives greeted this Bill with enthusiasm. Indeed, the then House Leader of that Party, the now temporary, soon to be former, Opposition Leader (Mr. Nielsen), had this to say:

● (1610)

Madam Speaker, we on this side are delighted to give our consent to the introduction of an idea initiated by the Honourable Member for Elgin (Mr. Wise) when he was in office. We in this Party express our gratitutde to the Minister for perpetuating the idea of the Honourable Member for Elgin in this legislation.

Actually, the Hon. Member for the Yukon (Mr. Nielsen) at that time was not exactly correct in his comments on the origins of Canagrex. It was really the Ontario Federation of Agriculture that pushed to have an export agency for farm products created by the federal Government.

We in this Party have supported Canagrex since the beginning. However, we have been mindful of problems with it. We have been mindful of past abuses perpetuated particularly by the present Government. We have put in certain riders. We want to ensure that Canagrex really does benefit the farmers in the long run. One idea is that we insist Canagrex be controlled by the producers. It must be staffed by qualified professionals, not Liberal hacks. Canagrex must not get into the business of pushing inappropriate exports to the Third World that diminish those countries' abilities to be self-reliant. All of these concerns are matters largely of policy, not legislation.

I go back to some of the initial speeches in the House that were very supportive of this legislation from all three Parties when the Bill was first introduced. I am told that my friend, the Hon. Member for Provencher (Mr. Epp), who happens to be my neighbour in Manitoba, was rather supportive of Canagrex and suggested at the time it would probably help a group of farmers in his constituency who were having difficulty selling plane loads of calves to the State of Israel. He looked forward to the establishment of Canagrex because it would help his constituents sell their produce abroad. At that time the Hon. Member for Elgin (Mr. Wise) criticized the Minister

of Agriculture for the fact that the proposed agency was to be given only a fraction of the budget and manpower originally proposed by the Hon. Member for Elgin when he was Minister of Agriculture. It was not until the Hon. Member for Etobicoke Centre (Mr. Wilson), one of the Bay Street boys, decided that this was a threat to free enterprise. It was at that point, when some of the big corporations that feed the Conservative Party, like Canada Packers, Northern Sales and other such corporations, got into the act, that the Conservatives suddenly did a turnaround on this.

Some of the overkill on this legislation has really been something to behold. We heard just a few moments ago from the Hon. Member for Capilano (Mr. Huntington) who goes nuts over it. He has this fear that Canagrex will collectivize Canada's agriculture. He talks about a state monopoly for the import and export of agricultural products. This is absolutely looney, Mr. Speaker. I think probably the looniest statement that has come out in this debate came from the Hon. Member for Assinboia (Mr. Gustafson) some time ago. I am not sure when it was, but he made this suggestion:

> Say that the president of Socialist International put out a decree that all members, the Communist countries and the socialist countries, only buy state-to-state. Would not Canagrex become a level to automatically eliminate any private trading company within Canada? In my opinion Canagrex will give the socialists and Communist world a tremendous lever.

So said the Hon. Member for Assiniboia some time ago. As *The Globe and Mail* said at that time, that statement took the level of debate to a new low of comedy in this House.

An Hon. Member: Tory low.

Mr. Sargeant: I see, Mr. Speaker, that you are cutting me off. I think my comments should make it rather obvious that we are supportive of this piece of legislation and really do hope it works to the benefit of all Canadian farmers.

The Acting Speaker (Mr. Corbin): Order, please. It would be wrong for the Hon. Member to suggest that the Speaker is cutting him off. I simply inform him that his time has expired. The Hon. Member for Burin-St. George's (Mr. Simmons).

[*Translation*]

Mr. Roger Simmons (Burin-St. George's): Mr. Speaker, I am pleased to express my support for this Bill, because Canagrex is really the best thing that could happen to this country.

[*English*]

This Bill will facilitate the promotion—

[*Translation*]

This is just to show that some Newfies are able to communicate with Quebecers. When my good friend, the Member for St. John's West (Mr. Crosbie), becomes Leader, he will need someone who understands French and can translate from French into Newfie.

[*English*]

This Bill will facilitate the promotion and trade of agricultural produce.

Mr. Munro (Esquimalt-Saanich): And Liberals.

Mr. Simmons: There is no sinister plan here. I say this especially for the information of my good friend from Capilano and of my good friend from Lethbridge-Foothills. There is no sinister plan here. You can search for it all you want. If the hon. gentlemen opposite want to know how sinister this proposal is, I will give them a clue. There is already in existence a plan equally sinister, equally diabolical and equally all-embracing. It is known as the Canadian Wheat Board.

Some Hon. Members: Oh, oh!

Mr. Mayer: How much wheat do you grow in Newfoundland?

Mr. Simmons: That is the sinister plan. I am seeing first-hand what can happen when there is no co-ordinating strategy to promote abroad the produce from a primary industry. I am thinking of the fishing industry and the chaos in which we find ourselves in Atlantic Canada, particularly in Newfoundland, because of the absence of any co-ordinated strategy.

I say to my good friend from Vancouver that I do not expect a private importer to be excited about public exports, but I ask him at least to listen to what is being said because he may learn something, the real reason why we are doing what we do. I say to him that there is a good parallel in the fishing industry where things would have been less miserable for the fishermen and the fish plant workers on the South Coast of Newfoundland, in parts of Nova Scotia, in parts of Quebec, if we had had the kind of co-operative marketing strategy being proposed under the Canagrex Bill. I cannot find anything especially diabolical or sinister about this Bill.

On the subject of the fishing industry, if I have one criticism with the Kirby Task Force Report that was presented some months ago, it is, it has been and will continue to be, that Doctor Kirby and his associates failed to bite the bullet on the important issue of export marketing. They failed to do what needs to be done in so far as the sale of fish products abroad is concerned.

The Hon. Member for Capilano (Mr. Huntington) attempts, as he so often does, to spread great fears about creeping socialism, to connote and represent the Canagrex Bill as another power grabbing effort. I ask him whether he has not looked at the very agency to which I made reference a moment ago, the Canadian Wheat Board. Why does the Hon. Member not tell us just how much power the major food retail chains have in this country? Is that what he wants to happen in this particular sector as well? There are five major retail chains controlling 70 per cent of retail food sales in the country. Is that private enterprise at its best?

• (1620)

Mr. Malone: So what?

Mr. Simmons: I hear the Hon. Member saying, "So what?". I am against it, that is what. Perhaps the Hon. Member for Capilano should tell us about the four large grain trading multinational companies—Cargill, Dryfus, Bunge and Continental.

Mr. Malone: So what?

Mr. Simmons: Again I hear the Hon. Member. I know his Party has long been in the pockets of multinationals, but that does not mean that we have to be in the pockets of the multinationals. Thank God we have that great Crown corporation.

Mr. Mayer: Mr. Speaker, I rise on a point of order. I wonder whether the Hon. Member would accept a question.

Mr. Simmons: That is not a point of order.

The Acting Speaker (Mr. Corbin): Would the Hon. Member accept a question at this point?

Mr. Simmons: Mr. Speaker, I have very limited time. At the end of my ten minutes I would be delighted to accept questions for an hour or so.

Thank God we have that great Crown corporation called the Canadian Wheat Board. It was brought in by a Tory Government, albeit it was comprised of a bunch of Tories who had a lot more foresight than the modern Tories with whom we deal in the House. The Canadian Wheat Board was constituted by a Tory Government of former days. These Tories in their day gave the Canadian Wheat Board powers to buy and sell. In the words of Dan Morgan in his book "The Merchants of Grain", the Canadian Wheat Board is the most sophisticated grain marketing system in the world.

Mr. Thacker: You should try living under it.

Mr. Simmons: What are they against over there? They are against progress. We have known that for a long time. What in particular are they against?

Mr. Mayer: What do you know about grain?

Mr. Simmons: They are afraid of the possibility that one day Canagrex will become as successful in its mandate as the Canadian Wheat Board has become in respect of its mandate. That is their concern.

Let us get back to the persons who will be involved in the operation of this agency. They will be persons who come from the farming community. What do the Tories have against them?

Mr. Malone: They will be Liberals.

Mr. Simmons: They will be processors, businessmen and professional people who have an interest in Canada and have Canada at heart. They will have expertise in the production, processing, shipping and marketing sectors. They will be Canadians working together as partners for the benefit of Canadians. I do not find that sinister. I think it is a good formula, and that is why I support it with such enthusiasm this afternoon.

Mr. Thacker: You would support anything.

Mr. Simmons: I say to the Hon. Member for Lethbridge-Foothills (Mr. Thacker) that I cannot support anything. For example, I cannot support his candidate for the leadership of the Tory Party.

Since 1971 Canadian wheat sales have skyrocketed from $832 million to $4.25 billion 11 years later in 1982, an increase or more than 500 per cent. How could the Tories possibly deprive other sectors of Canadian agriculture of that kind of export benefit?

The Hon. Member for Lethbridge-Foothills wanted to launch a fairly wide-ranging debate on Crown corporations. This is not the time to do that, but I look forward with enthusiasm to the day that he and I can debate that particular issue in the House of Commons. What does he have against the principle of Crown corporations? Is he also against Petro-Canada? If so, is he now articulating the latest position of the Tory Party that has been for Petro-Canada and against Petro-Canada? Is he for the great Canadian Broadcasting Corporation? Is he against the Canadian Wheat Board? Why did he not tell us how many subsidiaries of the Canadian Wheat Board there were? Why did he not take the time today to run through the list of subsidiaries of the Canadian Wheat Board? It would not have taken very long at all, and it would have been much more relevant to the item under debate now. He talked about the appointment of friends. I can only say to him that we on this side of the House have a nice problem in that respect. We find ourselves appointing friends to many boards. The reason is that we have so many friends it is difficult to appoint competent people to boards without appointing some of our friends.

Those poor reactionary Tories. Pavlov would have been pleased because they respond in Pavlovian style to everything. If we are for it, they are agin it. I invite them to put aside their partisanship and support a good Bill which will work to the good of Canadian agriculture in the years ahead.

Mr. Gordon Taylor (Bow River): Mr. Speaker, first of all I want to deal with one or two comments that were made by Government Members. A few moments ago the Hon. Minister said that we had $4.6 billion in export trade. Yes, but I add that we accomplished that without Canagrex. That was done by private industry, and that is exactly what we want to do. Also he asked why we were against export. We are not against export. We are not against an export agency. An Hon. Member of the New Democratic Party indicated that we were favouring some items to which we object. We are not opposed to exporting. We believe in exporting. We want to help exporting but we think it should be done through private enterprise. This Bill is putting another handcuff on free enterprise. This is what Government Members are doing.

Private enterprisers have put money into this area. They have been carrying out the export business. They have a lot of money invested in it. Now they will have to compete against Government money. Now they will have to compete against taxes which they themselves pay. They will now have to compete against that type of thing. Hon. Members of the Government and of the New Democratic Party think that that

is okay. We do not think it is okay. In a democracy Members should reflect the thinking of the people who sent us here.

The farmers I represent do not want Canagrex. I will voice their views whether or not Liberal or NDP Members like it. The misrepresentation from the other side of the House and from the New Democratic Party certainly indicates that they have never read Bill C-85.

One Minister said, "Show me where there will be any conflict with private enterprise". Well, why will this corporation purchase agricultural products and food products? Why will this corporation package, process, store, ship, insure, import, export or sell or otherwise dispose of products purchased by it? It is going into business against people who have invested money. It will use the tax dollars paid by these people to fight them. That is what the Government is trying to do. It has done it before. It will do it again.

I heard Hon. Members talking about the Alberta Wheat Board. The Alberta Wheat Board has done many good things, but it was not put in at the objection of half the farmers of western Canada. It was put in because farmers wanted a marketing agency. This Bill is going in with half the agricultural people of Canada opposed to it, with half the nation opposed to it. I have difficulty finding one person in Bow River who would support this Bill.

The Government wants to ignore their representations. They want to ignore them and tell them what is good for them. People from the cities and from the East want to tell western farmers, who spent their lives on the farm, what is good for them. They know what is good for them. They want to do their own marketing and to conduct their own businesses. This is why they do not want Canagrex.

The powers given in this Bill are something terrific. The over-all affect of our amendments would cure the problems. We want the Bill but we do not want the clauses which will ruin the industry. We do not want the clauses which will give the corporation the power, if some future Government wants to do it, to take over the entire food industry. The powers are in the Bill. All they have to do is to read them. They are tremendous powers.

I see someone opposite shaking his head. Let me tell him that I want to deal with one or two more points. The *Alberta Report* carried a story on May 17 entitled, "The Food Grab—Ottawa's Next Big Play". On the front cover of the magazine there is a huge hand posing over the farmhouse, the cattle, the hogs, the chickens, the livestock and the land. It is the great, big grab. There is power in this Bill for the corporation to take over a farm and to take personal property without even a court trial. That is what the NDP and Liberal backbenchers are supporting. If they do not think that is so, there is a section here which gives the corporation tremendous power to acquire by foreclosure, other proceedings or in any other manner, to go in and confiscate. It can take real property and any personal property, mortgaged to Canagrex. It can sell, lease or otherwise dispose of such property.

• (1630)

What kind of power do we want this outfit to have? Some farmer will not only have his house and his land taken away, but they will go in and take the jewels from his wife's neck. That is what it will do. It is going to take personal property.

Do Members opposite want those kinds of things in this Bill? That is the type of legislation they will pass. We do not want that and neither do the farmers. Someone mentioned Alberta legislation. The people of Alberta trust the Alberta Government. The people of Canada do not trust this Government.

Mr. Althouse: Mr. Speaker, I rise on a point of order. Since the Hon. Member is referring to the section dealing with mortgages, is he now telling us that his Party has changed its mind on the ability of individuals to sign mortgages and to enter into contracts.

The Acting Speaker (Mr. Corbin): Order. If the Hon. Member wishes to put a question to the Hon. Member for Bow River (Mr. Taylor), he should first inquire whether that Hon. Member will accept a question.

Mr. Taylor: Mr. Speaker, we are concerned about the farmer having his goods grabbed, taken away without a proper court procedure, confiscated. The power is in the Bill to do that.

With regard to free enterprise, it can pay to producers and processors a subsidy on any agricultural food product. They are going to pay a subsidy. They want to entice the farmers by saying they will pay them public money. This will affect those competitors who have been carrying out work in the export industry.

The *Albert Report* is noted for its accuracy and honesty. It shows the huge hand of the Government hanging over, something that will stick in the minds of those who read that magazine. They can buy, sell, store, process agricultural products, acquire real and personal property, taking it by foreclosure or any other proceeding. That is the type of thing we are trying to correct.

There is no use talking in this House. You cannot carry an argument here. When the Prime Minister (Mr. Trudeau) says, "Jump in the lake", the clones over there jump in the lake and the NDP Members are right behind them. They are all swimming in the same hole. Talk about the same bed, they are all in the same hole.

Maclean's, our national magazine, said the same thing. They say that Canagrex can grow like a cancerous cell until it gets wide, sweeping powers which permit the actual control of the entire food industry. The power is in this Bill. Just read the clauses. The trouble with Members opposite is that they do not read the clauses. They just accept what the Minister tells them and vote accordingly. That is exactly what they do.

I see the Minister of Agriculture (Mr. Whelan) has come into the House for a change. I am glad he has. He should have been here for the entire debate. It is his legislation.

Mr. Whelan: Having heard you once, Gordon, I have heard you always.

Mr. Taylor: The habit of this Government is to have only one or two Ministers here. They do not want to hear what the Members say. What this Minister is trying to do is to build up a little nestegg for himself. He is getting near retirement age. He wants a resting place that pays $100,000 a year. He wants to be the president of Canagrex.

Mr. Whelan: Mr. Speaker, maybe the Hon. Member would like to tell us what his nestegg is, with his provincial pension and his federal pay.

The Acting Speaker (Mr. Corbin): Order.

Mr. Taylor: I earned mine. I did not accept a job that pays $100,000. What is more, I even paid some of the money back to the Crown. Do you?

The Acting Speaker (Mr. Corbin): Order.

Mr. Taylor: It is all right for you to get up and start talking about pensions.

Mr. Simmons: Mr. Speaker, I rise on a point of order. I thought the Minister was rising to make this point of order. Since he has not done it, I will. Immediately before the Hon. Member rose, the Hon. Member for Bow River (Mr. Taylor) imputed motives to the Minister of Agriculture. That is not permissible. Under the rules of this House it is not permissible to impute motives to another Member of the Chamber. He must withdraw that attempt to impute motives. I suggest that the Chair invite the Hon. Member to do that or else fling him out of the House where he belongs.

The Acting Speaker (Mr. Corbin): Order.

Mr. Taylor: Mr. Speaker, if the Member thinks I was way out, he should look at the record of one of his own Liberal Members when we came into power. How much did he get paid to leave his job at Air Canada? How much public money did he get paid, money he should never have got at all? Another thing, the directors of this—

Mr. Simmons: Mr. Speaker, I rise on a question of privilege. I, as one Member of this Chamber, am not going to sit here and watch this smear job on the Minister of Agriculture who is doing his duty as the Minister responsible for introducing this Bill. What he does when he leaves this Chamber is his own sweet business. However, under our rules and our well established tradition no Member can rise in this Chamber and impute motives to another Member of this Chamber, Minister or not. That is what the Hon. Member for Bow River has done. That is low, even for him. I invite him to withdraw. I suggest to the Chair that he be made to withdraw. He cannot stand here and impute motives to another Member of this Chamber. With his long experience in the Alberta House and here, he should know that. I believe he knows better. I invite him to have the decency to stand and withdraw what he said.

The Acting Speaker (Mr. Corbin): Order. The Hon. Member for Burin-St. George's (Mr. Simmons) claims privilege. The Chair is of the opinion that that is hardly privilege. The Chair does not see in what way the remarks of the Hon. Member for Bow River (Mr. Taylor) hamper the Hon. Member for Burin-St. George's in the exercise of his mandate as a Member of Parliament. In any case, the Minister of Agriculture is in the Chamber. The Chair has not seen the Minister rise and protest. The Chair must therefore conclude that the Minister of Agriculture does not in any way feel slighted. However, in the opinion of the Chair I thought we were doing rather well on Canagrex and the amendments up to that point in the debate. I invite the Hon. Member for Bow River to continue along that line.

Mr. Taylor: Mr. Speaker, this Bill provides for a president and one or two vice-presidents. I am suggesting it may well be that the Minister may become the president. What is derogatory about that? That is what the Liberals do all the time, putting their own Members as head of things. Has it suddenly become wrong? I would not be a bit surprised if the directors were Mackasey, Buchanan, and who is the other fellow? Gillespie. I would not be surprised if they were made directors. The people of Canada would not be surprised. That is the kind of thing they do all the time. The Members' conscience is hurting him. I want to get on with Canagrex.

The farmers of Canada, including those in my constituency, do not like this Bill the way it is. If these amendments are accepted, it can become an exporting agency. Without these amendments, the corporation will have the power to take over farms and the food industry, becoming the master. The Government has done this in energy, it has done this in culture. Now it wants to do it in the food industry. What is the Government trying to do, make the people of Canada bond slaves? What kind of society is the Government trying to build? If it does not want to do this, why is it laying the ground work for some Government of the future to do it? That is what Canagrex is doing. The powers are there and no one in the Government can deny them. Read the Bill. Let the people read the Bill. Farmers have read it. That is why they are writing letters to me that say: "Whatever you do, stop Canagrex. We in the country cannot live under Canagrex."

• (1640)

Mr. Whelan: Mr. Speaker, I rise on a point of order. You, Mr. Speaker, commented that I was present in the House but perhaps did not raise a point of order or a point of privilege when the Hon. Member for Bow River (Mr. Taylor) spoke about my intentions of becoming head of Canagrex and creating this body only for myself. Nothing is further from the truth than that. I have no desire to be the head of Canagrex although I know that I am fully capable of being the head of Canagrex. I know there are other people who are just as capable as I am. Publications in Alberta have said that the motive behind Canagrex is that I want a job for myself. That is not a fact. That is an untruth.

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Mr. Speaker, I welcome the opportunity to make some brief remarks at report stage of the Canagrex Bill. I have been present in the House since two o'clock this afternoon and have been listening very intently to the debate. I would like to discuss Canagrex in the context of the Province and the area of the country which I have the privilege to represent. I might say, Mr. Speaker, that it is the only Province in the country where the primary industry of the Province is agriculture.

Mr. Malone: That is false.

Mr. Campbell (Cardigan): It is true.

Mr. Malone: No, what about Saskatchewan, Manitoba, Alberta?

Mr. Campbell (Cardigan): But not the primary industry.

Mr. Malone: Yes.

Mr. Campbell (Cardigan): Well, Mr. Speaker, then at least we can share in the industry. But I do want to comment within that context. I have listened very intently to the discussion this afternoon. Members of the Official Opposition have indicated to the House that the Canagrex Bill really sets out to do three things, two of which they can support, the third of which they have objections to.

The first objective of Canagrex is the question of promotion and marketing. I think that, generally speaking, most Members of the House can accept that particular objective. Coming from a Province as small as Prince Edward Island, I can say that within the Province there are numerous producers and quite a number of exporters who are not in a financial position to promote and identify markets for themselves, particularly dealing with the major export, that is, potatoes, and more particularly seed potatoes. Opportunities do exist for the export of these products to many countries around the world.

I am certainly pleased by the report that I have received dealing with trade surplus in agricultural products, but I am concerned that there are opportunities there which are not being taken advantage of. After eliminating wheat and oil seed from that surplus and dealing only with non-grain, what is left? We are left with a $2 billion deficit. This should indicate to all Members that there are opportunities which are not being taken advantage of.

Exporters and promoters in a Province the size of mine are in no position to travel to the Middle East or to the Caribbean to promote their products. They simply cannot do it. They cannot afford to do it. Yet the opportunities are there, so from my perspective I support wholeheartedly the promotion and marketing aspects of Canagrex.

Let us look at the financing aspect of Canagrex. If there has been a problem in terms of exports in many areas of the country, it has been the inability to put a financing package together. I will give you a very real example of this, Mr. Speaker. An exporter from my Province had the opportunity to make a sale of seed potatoes to a Caribbean country. He went to the banking system to try to put a financing package together, and he was successful in doing so. But do you know what it cost the potato producers of my Province to do that, Mr. Speaker? It cost them eight cents per hundred above and beyond the going interest rate. Why? Because the country to which the product was exported happened to have a low credit rating. The additional cost of that interest charge was passed on to the suppliers, the farmers for that particular package. So here is an excellent opportunity for Canagrex to play an important role in exporting.

Dealing with the buying and selling aspects of Canagrex, there is no question that concerns were expressed about this. While I do not want to dispute any comment made in the House, I must draw something to the attention of all Hon. Members. With respect to the comment made by the Hon. Member for Capilano (Mr. Huntington) who said that Canagrex has been brought forward in the dying hours of the House at a time when closure is being invoked to force it through, I would ask you, Mr. Speaker, when this legislation was first introduced in the House. As I recall, it was first introduced in December of 1981.

Mr. Taylor: January.

Mr. Campbell (Cardigan): All right, January, 1982. So this legislation has been under discussion on a relatively ongoing basis for some 16 or 17 months. Yet it still has not gone beyond report stage.

Let us deal with the buying and selling aspects of Canagrex. Most Canadian Crown corporations have that capacity. The Hon. Member for Bow River can tell us that the Crown corporation in his own Province has the ability to buy and sell because there are situations when it is necessary for it to have that ability. However, to address that particular concern, amendments have been accepted by the Government. When can buying and selling powers be activated? They can be activated in only two instances. The first instance is when Canagrex is requested to do so by a developer, an entrepreneur or an exporter. The second instance is on a state-to-state package. Again, I—

Mr. Malone: That is the point.

Mr. Campbell (Cardigan): Mr. Speaker, the Hon. Member has said that that is the point. Let me give him a very excellent example of how Canagrex could have ensured an export deal for the Province of Prince Edward Island. Officials of one of the Middle East countries said: "We want to buy seed potatoes and we want to buy Prince Edward Island seed potatoes, but we will not deal with the individual seller because the package has been put together by the Department of Agriculture of our country and we would like to deal on a government-to-government basis." Do you know what happened, Mr. Speaker? The deal was never signed because the instrument to facilitate it did not exist.

How could this deal have taken place? Canagrex would act on behalf of the exporter. Canagrex would in fact buy the product from the exporter and sell it to the Government

agency in the other country. To me, that makes perfect sense. I find it very difficult to understand the objections of Members of the Official Opposition. I do not say this in any partisan or political sense. I am being very sincere in my attempt to understand the objections to the Bill made by Members of the Official Opposition.

There have been instances where valid concerns have been expressed and, from my perspective, those concerns have been addressed by limiting the powers of Canagrex to act when requested to do so and on a state-to-state basis. We in the House have been led to believe that, all of a sudden, Crown corporations are taboo. We have been led to believe that a Crown corporation is something that we should not entertain, something that should not be created. Yet where have successes taken place with in much of the agricultural sector? They have taken place in areas where Crown corporations exist. In the Province of Prince Edward Island, there would be severe problems in the dairy industry if it were not for the Canadian Dairy Corporation. In the hog area we have a hog board and it is a stable area. What do we have in beef, anything? No, we have problems. Therefore, Mr. Speaker, from my perspective, I fail to understand why, in the manufacturing area, we can have a Crown corporation which has worked extremely successfully in identifying opportunities for our Canadian manufacturers, and yet in our own area of agriculture, where such a great potential exists, we are prepared to say we should not do that. The private sector in many areas of agriculture is doing extremely well and we encourage it to continue on. However, let us not destroy the mechanism which can enable that particular sector of our Canadian economy, which has such great potential, to realize that potential and to realize it in a very real way.

• (1650)

Mr. Thacker: A point of order, Mr. Speaker. I believe there is some time left in the Hon. Member's ten minutes. I wonder if he would accept a question?

Mr. Campbell (Cardigan): Yes, Mr. Speaker.

Mr. Thacker: Mr. Speaker, I wonder what the Hon. Minister would say to the evidence that the committee had that Industry, Trade and Commerce was providing some pretty good service in the area of assisting agriculture? It has the PEMD project which provides for specific project bidding, market identification, participation in trade fairs, incoming foreign buyers, export consortia. In short, we have a whole bureaucracy in the Government right now. As well, we have financing provisions and others in the Export Development Corporation which could help these people. Why do we need a whole new corporation with all these enormous powers, duplication and expense?

Mr. Campbell (Cardigan): Mr. Speaker,, I believe the answer to that question is a very simple one. The Export Development Corporation and Industry, Trade and Commerce have a very clear mandate to assist the manufacturer in our country to realize his full potential. However, I fail to see why we are against setting up a parallel operation which can help one of the areas where we probably have the greatest potential, and that is in agriculture. One of the difficulties, as I understand, in the export development area, and in the mandate of Industry, Trade and Commerce, is that one of the areas which has been excluded is the area of agricultural products. Therefore, we have been having problems in that area in a very real way. All I am saying, Mr. Speaker, is that if Industry, Trade and Commerce can complement the thrust of this particular Bill, so much the better. Let us have an organization, however, which can direct its full attention, its full focus and its full effort to take full advantage of what I said right at the very beginning, the $2 billion opportunity which exists for agriculture in our country today.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I appreciate the comments made by the Minister of Veterans Affairs (Mr. Campbell). However, I believe that in making his case he has downgraded or neglected—perhaps "neglected" would be the better word—the services which are already provided by the trade commissioners service which is composed of members of the foreign service who are posted abroad to promote and help market Canadian products. That has been their mandate and they have earned the respect of Canadian producers throughout the world. I have, upon occasion, acted in the absence of a foreign trade commissioner in my office, by performing in that capacity and receiving a load of cattle in Central America at a time when there was a group of Ontario cattle producers who had the initiative to carry forward and get their cattle into the Central American market. I went down there to help them. They did all the groundwork themselves. There was a bit of prestige involved, I suppose, by the Ambassador going out to help them off-load the cattle and get them to market. That is promotion, if you like, but that sort of operation should not be downgraded. That part of the work is being done in the agricultural field as well as in other fields.

However, Mr. Speaker, I am delighted today in taking part in this debate because it is not often that one has his comments cut off short at six o'clock by the clock on one day in one particular debate and is able to carry them on the following day in another debate. That is exactly what has happened to me today. I had about four minutes last evening, Mr. Speaker, in which to speak about the problems of responsibility of Crown corporations and the dangers which lie within them, and that is one of the elements in our debate today. We are talking about these corporations getting into buying and selling and that sort of thing.

I am sure that many of the Hon. Members on the other side of the House have not read this particular Bill and realize the dangers which lie within it. Nor, Mr. Speaker, does it appear that they have seen or examined in any way at all the proliferation, the spawning nature, of a Crown corporation once it gets into the hands of an ambitious bureaucracy which does not have to come back to the House of Commons or Parliament to account for its expenditures and its operations.

I wonder how many Members could tell me, including the Minister of Agriculture (Mr. Whelan), how many corporations

are under the general direction, fully or partially, of Canadian National Railways, a Crown corporation? I just happened to add them up. I bet it would surprise the Minister to learn that there are 87 of them. This is one of the dangers, Mr. Speaker, of which we must be aware. CN has 87 proliferated parts. This is not Canagrex, Mr. Speaker, this is "Canaworms". And it is just twisting around like that, just waiting to get out and proliferate. The Minister knows that if you cut a worm, it makes two worms, does it not? If you cut the two worms, then you have four worms.

An Hon. Member: No, you do not.

Mr. Munro (Esquimalt-Saanich): Yes, you do.

Mr. Neil: They are thinking of the wrong kind of worms. We know the kind.

Mr. Munro (Esquimalt-Saanich): That is right, we know the kind. This is basically the problem which has me deeply concerned, the proliferation of this particular Canagrex or "can a worms" as I prefer to call it. I feel that we should also bear in mind that the buying and selling, and some of the other functions assigned to the corporation, could all too easily, I say to you, Mr. Speaker, and through you to the Minister, lead us into the collective farm development, which, I hope, we all deplore in the Soviet Union and which cannot produce food at the same rate and as well as does private enterprise in Canada. I am told by someone who knows that about 22 per cent of the agricultural land in the Soviet Union is in the hands of private enterprisers, individuals; the rest is in the hands of the state. But that 22 per cent which is in the hands of individual enterprisers who are committed to their soil and get out of that soil what they know that soil can produce, produces five times as much as that 78 per cent of land held by people who have no interest in the soil. This is the sort of thing, Mr. Speaker, that we are facing down the road if this "Canaworms" gets to become law. This is the fear which Canadians have.

None of us knows how many Crown corporations there are in this country. I have run across four different numbers. I will wager the Minister of Agriculture could not tell me how many Crown corporations there are in Canada. I have read the Treasury Board report, for example, which recently came out, where 315 are listed. The Hon. Member for Scarborough East (Mr. Gilchrist) asked that question on the Order Paper. The reply was that there were 179 Crown corporations. Now, was that a lie? It must have been. That or the respondent was ignorant. That is possible, of course. But the Minister signed the answer saying that there was only 179 Crown corporations. The Auditor General, on the other hand, on page 49 of his report of March 31, 1982, says there were 306. Then I see that Charles Lynch, in a report in *The Citizen*, on June 1, reckons there are 320. So we have 315 on the one hand, or 179, or 306, or 320. I do not think we need any more Crown corporations in this country under this Government.

• (1700)

Someone mentioned the number of Crown corporations under Petro-Canada. I started to go through that and it immediately seriously worried me. Then there is Canadair, which is now up on the block, if that is the right place. Well, it should have its head chopped off, having a deficit of $1.5 billion. It claims to be responsible and yet, it has affiliates; it has spawned six subsidiaries in one way or another.

Mr. Whelan: You tell me how many Crown corporations have been spawned under agriculture. Can you say how many there are?

Mr. Munro (Esquimalt-Saanich): Agriculture is a growing industry and Canagrex would be a growing Crown corporation. The seeds are there.

Mr. Whelan: We could have used Orders in Council to set it up but I chose legislation.

Mr. Munro (Esquimalt-Saanich): Oh, boy, talk about Orders in Council! He wants to know about Orders in Council. Did he realize that Clause 15 of this Bill says:

> There shall be paid to Canagrex annually on the requisition of the Minister an amount of money appropriated by Parliament for that purpose.

That is only one of the ways it gets its money. In Clause 17 it says:

> At the request of Canagrex, the Minister of Finance may, with the approval of the Minister, lend money to Canagrex out of the Consolidated Revenue Fund on terms and conditions approved by the Governor in Council.

Where is Parliament? This is the danger of Crown corporations.

Mr. Whelan: The programs have to be submitted in advance to Parliament.

Mr. Munro (Esquimalt-Saanich): In advance to whom?

Mr. Whelan: To Parliament.

Mr. Munro (Esquimalt-Saanich): I wish the Minister would cite the clause. I would be glad to know. I have looked for that link with Parliament in this legislation. That is what really worries so many of us, Mr. Speaker. There is no direct line to Parliament in this legislation. Then I read in Clause 36(1):

> In each financial year, Canagrex shall prepare a capital budget . . . and shall submit it to the Minister for his approval and the approval of the Minister of Finance and the Treasury Board.

That is fine, that is the responsibility of the Government to do that sort of thing. But, and here we were being completely misled not very long ago by one of the previous speakers, it says in Clause 36(5):

> The Minister shall cause a copy of the summary of a capital budget approved by him to be tabled in Parliament—

Then we are told that the tabling of a report or request of that sort goes to a committee and is therefore automatically open to Parliament to question. That is not true, Mr. Speaker. The tabling of a report to a committee does not cause that committee to meet on that subject. That is what the Special

Committee on Standing Orders and Procedure ought to have done. Every report that goes to committee ought to cause that committee to meet, and if those provisions were there it would be a different matter, but committees do not necessarily meet.

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

Mr. Arnold Malone (Crowfoot): Mr. Speaker, this particular legislation has very obviously caused a degree of anger in the House of Commons which, while it surfaces on other Bills and issues, is not necessarily typical of all legislation. I submit to you, Sir, that imbedded in the antics which have taken place in this debate to date is the fact that there is something fundamentally wrong with this Bill which has divided this country East from West, in which there is a difference in ideology, and that the Government is not paying attention to what that difference is. It is not making any attempt to rectify fundamental concerns of the people of one region of this country.

I submit to you, Sir, that the underlying motivation for this Bill is a drunken thirst for power. This is an attempt to gain control of a major industry, namely that of agriculture. The Minister of Veterans Affairs (Mr. Campbell) mentioned that Prince Edward Island was the only Province whose primary industry was agriculture. I submit that almost all the Provinces have agriculture as their major or second major source of income. But that is beside the point. The point is: why are we opposed to this Bill?

Let me state to begin with that this Bill is not all bad. Few pieces of legislation ever are. It is not totally negative, but whatever good is imbedded within it is outweighed by Clause 14 which outlines the powers of Canagrex. It is excessive in the extreme. It is excessive to the extent it drives fear into one region of the country. That one clause describing the powers of the corporation takes up almost four pages of the Bill. Included in those powers, Mr. Speaker, are the following:

(a) purchase agricultural products and food products and package, process, store, ship, insure, import, export or sell or otherwise dispose—

That means, Mr. Speaker, that the Government now has everything it wants within the domain of agriculture. What we have left is free enterprise on agricultural labour, and state ownership of agricultural management.

It is not that the Bill is totally wrong. There are people who produce products such as white beans or sunflower products, commodities with relatively smaller production, who could benefit from a marketing agency, although I submit that one already exists within the domain of Industry, Trade and Commerce. But there are two things wrong with this Bill. The first is that it forms another Crown corporation. While I do not like that, I can swallow sideways and let it go down in a lump and then go home and explain it away to my constituents. But I can never sell to the people of western Canada the concept of a Bill which gives the Government of Canada the powers I have referred to in Clause 14. It means, Mr. Speaker, that I could go into the supermarket and, instead of finding the traditional labels on our food, I would see the label: "Canagrex, it's ours". This is because the legislation itself includes the words, "the right to package". In the debate today, a number of Hon. Members have said, "Oh, listen, that is simply not the case. That is not at all what the Government is requesting. The Government has no intention of doing that. That is nonsense". That was precisely the same position that they took with regard to the questions involving Petro-Canada. When I find my notes in a moment, I will put on the record that little bit with regard to Petro-Canada. We will come to that in a few moments.

• (1710)

Mr. Blaikie: You've only got a few.

Mr. Malone: I have found it right here at the bottom of my pile. Mr. Speaker, I know there is some question by the Chair as to whether or not we can make the analogy on Petro-Canada. I want to make it because I want to make it on the point that there is reason for concern. I want to quote what Donald Macdonald said back in 1973. He said that Petro-Canada would be about the country, soothing the fears of corporate Canada, that it would likely be nothing more than a small player in the domestic oil patch so that the federal Government could learn how the energy sector worked. He said it would be a window on the industry. What happened in 1974 was that it began the federal Government's existing, petroleum interests with $383 million. In 1977, Ottawa added to that, infusing another $155 million. It is still a relatively small corporation. By 1978, the pace had quickened. The corporation bought out Pacific Petroleum for $1.5 billion, with further federal corporation contributions of another $240 million in equity. It finished the year with a B.C. oil refinery, interest in coal, uranium and various other minerals, minority shares in two pipelines and 426 gasoline stations. Then, to bring us a little closer to the present, in 1981 the company bought Petrofina for $1.5 billion, financed in part by a 4 cents a gallon tax on all persons using gasoline, and including home heating fuel. At year's end, with reference to the corporation which was only to be a window on the industry to allow the Government to see how the private sector works, that being the corporate objective, it is into the private sector with total assets of $6.6 billion, 169 million gross acres, 5,800 employees and 1,500 gas stations. That is its window on the industry. Here we have Canagrex.

The Minister of Agriculture (Mr. Whelan) should be protecting the individual pride of that one bastion of free enterprising people left in the country, the farm people of Canada who believe in pride, not only of their ownership, but also of their self management. He says that the Government of Canada, with these powers, can purchase agricultural and food products and may package, put the little labels on the can, and process, store, ship and insure them. That is what the Minister of Agriculture is doing. No one in the House, from any of the three Parties, is denying that we need to have a stronger effort in international marketing. I believe that to be the position of all three political Parties. However, to presume that the

Government needs those powers is absolutely folly. Furthermore, to stand in the House and to say, "But we will not use those powers", is not possible. I say to the House of Commons, there is no such thing in the world of politics as granting power and then not using it. If the power is granted, sooner or later the power will be used. That ought to be very serious indeed.

It is important that we underscore why the debate is in the House at this time. It is because the Liberals are where they are in the Gallup polls today. There is a pattern amongst the Liberals in the country—

Mr. Deputy Speaker: I hesitate to interrupt the Hon. Member, but the time allotted to him has expired. He may continue with unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: There does not appear to be unanimous consent.

Mr. Malone: Mr. Speaker, I am just on page one.

Mr. Blaikie: We gave consent, Arnold. We wanted more.

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased that Bill C-85, an Act to Establish a Corporation called Canagrex, to promote, facilitate and engage in the export of agricultural and food products from Canada, is finally reaching the harvest stage. The Hon. Member asks who wrote it. I can tell him who wrote it. I did today, while I was sitting here, bored to death with the kind of speeches I heard from the opposite side. This is not the first time that I have stood in this House to speak on the subject of Canagrex. I raised it in the House two and one half years ago, to be exact. The Hon. Member who is asking who wrote it can check the proceedings as reported in *Hansard* on November 28, 1980, when this topic was raised by myself in the House of Commons. I spoke to it again on February 3, 1982 from the standpoint of promoting Canadian exports. I am pleased to take part in the debate on this Bill again today.

I was pleased that the Minister of Agriculture (Mr. Whelan) rose this morning on a point of order and clarified the difference between closure and time allocation. When does the Government use time allocation?

Mr. McKnight: Every time.

Mr. Flis: I think that when the Minister and the Government feel that there has been ample time to discuss the Bill in committee, ample time to debate a piece of legislation in the House, ample time to receive feedback from across the country and to hear witnesses before committee and, if the Bill is not going through its proper stages, then I think that the Government has no choice but to bring in time allocation. However, after 85 hours of debate in committee and in the House, I do not think anyone can complain that the Minister brought in time allocation.

In the British parliamentary system, when unconstructive and unproductive methods are being employed to hamper passage of important legislation before the House, time allocation is a correct and needed mechanism. That is why it was written into our Standing Orders. The British Parliament repeatedly uses it when all other avenues have been exhausted. This is the case with Canagrex.

I listened very carefully to the speeches this morning and this afternoon by the Hon. Members opposite. I was very interested by the comments made by the Hon. Member for Capilano (Mr. Huntington). I lost my respect for the Hon. Member a bit when I heard his comments—

Mr. Munro (Esquimalt-Saanich): He speaks from knowledge.

Mr. Flis: —in expressing his views this morning. He said that the Bill is nothing more than public mischief. He said that this is another Bill to "screw the West, and I quote him. There is no one more interested in Canadian unity than all the Hon. Members on this side of the House.

Some Hon. Members: Oh, oh!

Mr. Malone: That's the joke of the year.

Mr. Flis: I think that with the Tories lowering themselves to that kind of debate, I am pleased that the Government did bring in time allocation.

Mr. Malone: Come West and say that.

Mr. Flis: Then the Hon. Member for Lethbridge-Foothills (Mr. Thacker) called this a communist plot. He looked and pointed at me and said, "The Members from eastern Europe should know better". I would like to draw to the Hon. Member's attention that I am not from eastern Europe.

Mr. Taylor: Who said you were?

Mr. Flis: I am a Canadian, born and raised in Saskatchewan. I am a western Canadian, not an eastern European, but—

Mr. Taylor: You sure don't show it, the way you vote.

Mr. Flis: This, again, is the stereotyping of Canadians by Conservatives, "One is this, one is this and one is this", instead of considering us as being Canadians and parliamentarians in the House.

Some Hon. Members: Hear, hear!

Mr. Flis: I was also very interested in the words spoken by the Hon. Member for Simcoe South (Mr. Stewart) when he referred to the Bill and said, "Another definite move toward state control".

Mr. Taylor: Right on.

Mr. Flis: The Hon. Member for Bow River says, "Right on". I would like to ask the Hon. Member and his Party

whether his Party was right on when it established the Canadian Broadcasting Corporation.

Mr. Taylor: Now you're going to change the subject.

Mr. Flis: Was his Party right on when it established the Canadian National Railways?

Mr. Malone: Right on.

Mr. Flis: Was his Party right on when it established the Canadian Wheat Board?

Mr. Lalonde: Yes.

Mr. McKnight: There is no comparison.

Mr. Flis: What is the difference between the Bill before us today, the Canadian Broadcasting Corporation, the Canadian National Railways and the Canadian Wheat Board?

Mr. Taylor: They didn't have the power to take over the farms.

Mr. Flis: The Hon. Member for Simcoe South referred to Poland and to the U.S.S.R. I can tell the Hon. Member that I know of the seven million Ukranians who starved to death under the Soviet system in 1932-33, not even having a loaf of bread to eat. I can tell the Opposition about what is happening in Poland and the reasons for the Solidarity movement. I can tell the Hon. Member that the state farms, the kolhozi, in the Soviet Union, do not work or the PGR in Poland do not work.

• (1720)

The purpose of this Bill is to go the opposite route. Its purpose is to make sure that our farmers do produce more not only to feed Canadians but to feed people in other parts of this planet. Our country is blessed with the type of soil and weather conditions that enable us to feed not only Canadians but people around the world who are not as fortunate as us. This Bill will do nothing more than to motivate producers to produce more and to export.

It seems that anything the Liberals introduce in this House that will make the Government look good, the Official Opposition tears it down with statements such as state control, communist plot or that the Liberals are nationalizing everything in this country.

Mr. Munro (Esquimalt-Saanich): Are they not?

Mr. Flis: They are afraid that the Government will look good when this piece of leigislation gets through.

Some Hon. Members: Oh, oh!

Mr. Flis: That is what they are afraid of. I say that this Bill is another move by the Liberal Government to assist the Canadian entrepreneur to seek new markets around the world. Canagrex will be the stimulus to more successful free entreprise in the agri-food sector of our economy.

Mr. Taylor: Is that why you want to confiscate the farms?

Mr. Flis: If the Opposition feels that this Bill is moving toward state control, again I would ask them why their Government formed Crown corporations. Members opposite listed the various Crown corporations they are against. I ask again why they formed the CBC, CNR and CWB? Have the 12 Tories running for leadership, some of whom have dropped off, come out with a platform to ban the Canadian Wheat Board or the CBC? No, those Crown corporations are all right.

Let us look at the Canadian Wheat Board, a Crown corporation established by the Tories.

Mr. Taylor: It does not have the power to take over the farms.

Mr. Flis: Why did the Progressive Conservative Government give the Canadian Wheat Board the power to buy and sell when it was created?

Mr. Taylor: It does not have the power to take over the farms.

Mr. Flis: We are talking about the amendments and the dispute around the philosophy of buying and selling in this Bill. Let me ask again why the Progressive Conservative Government, in creating the Canadian Wheat Board, gave it powers to buy and sell while their amendments seek to withdraw the same powers from Canagrex?

Mr. Taylor: It has no power to confiscate the farms.

Mr. Deputy Speaker: Order, please. The Parliamentary Secretary has the floor.

Mr. Flis: I think someone mentioned already that taking those powers from Canagrex would be like letting a steer out into a herd of young cattle. Then the Tories would scratch their heads and ask why the stock is not increasing. Perhaps they understand that kind of language.

The Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) tells me that all of the Opposition amendments were debated extensively in committee. They were extensively debated, and eight of the Opposition amendments add up to one thing—

Mr. Taylor: You just read that page.

Mr. Flis: Those amendments say to strip Canagrex of its power to engage in exports when so requested. Without that ability Canagrex will not be seen as an active, potent partner of the Canadian agricultural industry and would not address the requests of the Canadian Federation of Agriculture when they identified a need for "an agricultural trading agency to assist export expansion."

As the Minister has already stated in the Chamber, a number of provincial Crown corporations such as those in Saskatchewan, Quebec and Prince Edward Island, already have power to buy and sell and/or purchase property. Those powers have not been abused or misused by the Provinces.

Other countries who are major competitors have already acted to further their agricultural and food exports.

Mr. Deputy Speaker: I regret to interrupt the Hon. Parliamentary Secretary but the time allotted to him has expired.

Mr. Flis: Mr. Speaker, I rise on a point of order. I just want to ask if you have deducted the time for interruptions?

Mr. Deputy Speaker: An extra minute was allowed for interruptions.

Mr. Maurice Bossy (Kent): Thank you, Mr. Speaker.

Mr. Mayer: You are filibustering your own Bill.

Mr. Bossy: I can assure you that I do not want to take part in any filibuster. I feel it my duty, as a representative of an area with some of the best agriculture in Canada that needs this export corporation, Canagrex, to help market our farm products, to speak on this Bill.

When the Minister of Agriculture (Mr. Whelan) introduced Bill C-85 into the House in December, 1981, I remember the favourable press that the idea of an agricultural export agency received. In addition, during the course of the debate which followed in the House, Hon. Member after Hon. Member stated his support for Canagrex.

I might just refresh the memory of the House with just a few of these statements of support. I know that much of this support came from Members of the New Democratic Party, but we also saw at that time support from the Official Opposition.

I know that the Hon. Member for Humboldt-Lake Centre (Mr. Althouse) stated, as reported at page 14292 of *Hansard:*

> The farm community too has waited a long time for this legislation.

And:

> We agree that there are special needs for some agricultural exports which will require the full time attention and practical knowledge of people involved in the process at all times.

On page 14391 of *Hansard*, the Hon. Member for Prince Albert (Mr. Hovdebo) stated:

> Canagrex is going to be another federal Crown corporation which will have some responsibility for the marketing of agricultural products. That sounds like a very good idea and it probably is. It will likely do some good in the marketing of agricultural products;

The Hon. Member for Yorkton-Melville (Mr. Nystrom) stated, as reported at page 14472 of *Hansard:*

> At the outset, I want to say that the establishment of an agency such as this is a measure which our Party supports and has urged for a long time. Canada should have a corporation that is involved solely with the promotion and export of agricultural products around the world.

As reported at page 14483 of *Hansard*, the Hon. Member for Huron-Bruce (Mr. Cardiff) said:

> On the face of it I believe there are grounds for hoping that Canagrex can work to the advantage of Canada's trade performance over-all and to the benefit of the food-producing sector, which should be the primary beneficiary.

All of this support came from Members of the two Opposition Parties. They joined the voices of many of my colleagues on this side of the House who expressed full support for Canagrex and have urged a speedy passage of Bill C-85.

When this legislation first came before the Standing Committee on Agriculture last year, I had the honour to be its chairman and member of the Committee. The Committee spent four months studying the Bill and finally approved 14 amendments to the original 41 clauses. Members of the Committee heard and read briefs from most groups within the Canadian agri-food system and the vast majority expressed their support for Canagrex.

• (1730)

Mr. Malone: That is false and it is wrong.

Mr. Bossy: I must say at this point that the Canadian Federation of Agriculture, the National Farmers' Union and a strong plea from the Ontario Federation of Agriculture, the UPA from Quebec, all these organizations—

Mr. Deputy Speaker: The Hon. Member for Crowfoot (Mr. Malone).

Mr. Malone: Mr. Speaker, I know the Hon. Member now speaking does not wish to deliberately mislead the House. He should know that the Alberta Beekeepers' Association—

Mr. Deputy Speaker: Order, please, the Hon. Member for Kent (Mr. Bossy) has the floor. On what grounds does the Hon. Member for Crowfoot rise?

Mr. Malone: Mr. Speaker, I rise on the point that well over half of the average agriculture associations of Canada are strongly opposed to this legislation.

Mr. Deputy Speaker: That is a point of argument. The Hon. Member for Kent (Mr. Bossy) has the floor.

Mr. Taylor: It is half the agricultural people of Canada.

Mr. Bossy: Mr. Speaker, I might agree that many organizations are opposed, but many of these same people belong to the Canadian Federation of Agriculture, and this is a different membership. If the Canadian Federation of Agriculture is not really representative in the eyes of the Official Opposition, I do not know what better organization could represent the farmers of Canada.

Some Hon. Members: Hear, hear!

Mr. Taylor: Name all the organizations opposed to this legislation.

Mr. Bossy: Members of the Committee also heard the agriculture critic of the Official Opposition, the Hon. Member for Elgin (Mr. Wise). He has stayed away from debate on this Bill to a large degree. He was a former Minister of Agriculture. He stated his support for Canagrex by saying, referring to the 14 amendments, that these amendments are quite acceptable.

Mr. Malone: So what? What does that mean? What is your conclusion?

Mr. Bossy: Let me quote what the then Minister of Agriculture said in 1979. I am quoting from the *London Free Press*. The article said that the new agricultural Minister, John Wise, is ready to go "full steam ahead" on policies. This newspaper report states:

He will implement, with possible changes, the Agricultural Export Corp. announced by the Liberal cabinet during the election campaign as a tool to sell Canadian food abroad.

Further on in this newspaper report, we find this:

Concerning the Agricultural Export Corp., which would have powers similar to those of the Canadian Wheat Board, Wise said he would prefer it to be part of his ministry, but after talking with ministry officials he thinks that may be impossible.

It may well be that because of the business nature of that structure, it may be necessary to have a crown corporation. I won't quibble over that.

That is what he said.

Some Hon. Members: Hear, hear!

Mr. Taylor: He did not say he would give them power. Read the whole story. He was not going to confiscate the farms.

Mr. Bossy: In a further article that appeared on June 6, 1979, and Hon. Members must read the entire article, there is a picture of the then Minister with the headline "More agricultural exports planned". It is stated in the article:

Wise has said one tool that will be used to increase exports is the recently announced Agricultural Export Corp., which will sell Canadian foodstuffs abroad.

Mr. Taylor: Without confiscation of farms.

Mr. Bossy: I have another article here where it is reported that the Agriculture Minister stated:

The Progressive Conservative party campaigned on the pledge to concentrate on expanding markets for Canadian agricultural products and Wise says he wants to act quickly to complete efforts started by former minister Eugene Whelan to establish an export marketing body for agriculture.

An Hon. Member: Very wise man. There is one intelligent Member on the other side.

Some Hon. Members: Hear, hear!

Mr. Taylor: Without confiscation. Why do you not tell the whole story? Take out confiscation.

Mr. Bossy: I believe farmers, especially in the area of Ontario that I happen to represent, have asked me to convey this message to the House, that that corporation must become part of our trust to help agriculture and the farmer and not necessarily just the exporters of this country, which seems to be the support the Opposition wants to give strictly in that area.

Members of the Committee heard and read briefs from most groups within the Canadian agri-food system, and the vast majority expressed their support for Canagrex. I am going back to what we heard in Committee.

Mr. Taylor: You have gone back a long way.

Mr. Bossy: The Committee recommended changes, and as the legislation now stands Canagrex can only get involved in exports in co-operation or jointly with private trade or when it is acting as an agent of the Crown when dealing in state to state contracts.

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

Mr. Thacker: Mr. Speaker, in view of the fact that time allocation was put on this Bill and in view of the ruling by the Acting Speaker on July 29, 1982, we on this side would like to put the argument that Motion No. 2 should quite properly be debated and voted upon because the Acting Speaker at that time indicated that subsequent argument could be put. We are prepared to do that.

Mr. Deputy Speaker: The Chair faces a certain difficulty at this point. We are debating a group of motions which have been grouped for debate. They do not include Motion No. 2. After disposing of them there might be a very brief period of time before the limit of debate at 5:45 p.m. takes over.

If it is the wish of the House, the Chair will put the question on Motion No. 6 which we are debating now. However, there appear to be other Hon. Members rising.

Mr. Thacker: Mr. Speaker, it is my understanding that we are finished with that first grouping of Bills and we are prepared to go on to Motion No. 2.

Mr. Deputy Speaker: From the Chair's point of view as long as Hon. Members are rising, it is very difficult to do other than to recognize them. In this case, the Chair recognizes the Hon. Member for Kindersley-Lloydminster (Mr. McKnight).

Mr. McKnight: Mr. Speaker, if there was unanimous consent among all colleagues in the House to move along, some 12 amendments have been placed. We think under closure it would only be in the style of the magnanimity of the Minister of Agriculture (Mr. Whelan) that we could move on to other Bills.

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

The Hon. Member for Lethbridge-Foothills (Mr. Thacker) is rising on a point of order.

Mr. Thacker: Mr. Speaker, I am sure Members opposite realize that the Hon. Member for Medicine Hat (Mr. Hargrave) would have been here to present this motion on behalf of the livestock industry, but unfortunately his wife passed away today and he has had to rush away. We want very much, on behalf of the Hon. Member for Medicine Hat who has represented that industry for many, many years, to put this motion before the House so that it can be properly voted upon as the Bill is voted on this afternoon. I am asking for unanimous consent for that purpose.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: The question is on Motion No. 6. Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed to the motion please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11), a recorded division on the proposed motion stands deferred.

The question is on Motion No. 7. Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed to the motion please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11), a recorded division on the proposed motion stands deferred.

• (1740)

Mr. Thacker: Mr. Speaker, Motion No. 2 was originally moved out of order. We believe that there are precedents with which you will agree to indicate that this amendment can be put to Clause 2, which is the interpretation clause.

Because I think you can rule on it very quickly, I briefly refer to Bill C-176 which was debated in late 1971. If you look at the December 30, 1971 edition of *Hansard* on page Nos. 10895, 10896, 10944 and 10945, you will see that amendments were accepted to the interpretation clause which permitted the amendment to go forth. I think it is just that simple, and we ask for that ruling now.

Mr. Nowlan: Mr. Speaker, I just want to amplify very quickly what my hon. friend said.

Mr. Smith: You are just trying to be helpful.

Mr. Nowlan: Right, I am just trying to be helpful to the Chair and to Hon. Members. The amendment of the Hon. Member for Medicine Hat (Mr. Hargrave) was obviously to extend the meaning of the interpretation clause. The debate on the National Farm Products Marketing Act, which I think Your Honour and other Hon. Members will remember was a very contentious matter both in committee and in the House, went on for ten months and was led by the eminent Mr. Horner, the then Hon. Member for Crowfoot, along with the then Hon. Member for Swift Current-Maple Creek, Mr. McIntosh. As reported on page 10895 of *Hansard*, the Hon. Member for Swift Current-Maple Creek, Mr. McIntosh, moved an amendment to the interpretation clause which in effect had the same thrust as the amendment of the Hon. Member for Medicine Hat in Motion No. 2. At that time he moved the following amendment:

> That the amendment be amended by adding thereto, immediately following the word 'product' at the end thereof, the words 'but, for the purpose of any of the provisions of this act, shall not include cattle or calves;'

The point I want to make very briefly and succinctly, in view of the fact that the clock is ticking away, is that in the interpretation clause of Bill C-85 there are already certain items set out which are excluded, for example, fish and forestry products or by-products. The amendment of the Hon. Member for Medicine Hat does not add any new substantive matter. It adds to the exception.

I have referred to the precedent in the debate on the National Farm Products Marketing Act. I must admit that that amendment was accepted. The Chair may appreciate that it was not debated too extensively, but the interesting thing is that the amendment of the Hon. Member for Swift Current-Maple Creek at that time was to amend the amendment in the interpretation clause to include cattle or calves. It was accepted and it was put to a vote. Certainly I think it is the most recent precedent I have been able to find. It happens to be right on point because it is the very same issue of cattle or calves.

Mr. Deputy Speaker: The Deputy Chairman of Committees has already expressed an opinion on the matter. I would like to quote from a decision of Mr. Speaker Lamoureux as reported in *Hansard* on November 28, 1974. It reads:

> It seems to me that an amendment which adds to the definition clause of a bill a definition which was not contemplated in the original drafting of the bill, thereby seeking not simply to clarify the definition section but to limit the application of the bill to the kind of activity that is defined by the proposed amendment, would go not only beyond the scope of the clause under consideration but would probably be outside the principle and scope of the bill itself.

In this case, the exclusions of fish and forest products are clearly of a generic kind. The attempt to exclude cattle, in the opinion of the Chair, goes beyond the principle of the Bill and introduces something substantially beyond the original intent in the drafting of the Bill.

That was the interpretation of the Deputy Chairman in the previous debate in the House. The Chair has heard no argument which would persuade it to change the position of the Deputy Chairman. Therefore I rule Motion No. 2 to be unacceptable.

Canagrex

Mr. Thacker: Mr. Speaker, I rise on a separate point of order. I ask for the unanimous consent of the House so that the following motion can be included in the vote. It will not have any different result. It reads:

That Bill C-85, an Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended in Clause 14 by adding immediately after line 45 at page 11 the following:

"(e) buy, sell or otherwise deal in beef cattle and beef products nor any product or by-product thereof".

Mr. Deputy Speaker: The Chair has ruled that amendment unacceptable, and an amendment which is ruled unacceptable cannot be put to a vote.

It being 5.45 o'clock p.m., pursuant to order made Thursday, December 16, 1982, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the report stage of the Bill.

The next question is on Motion No. 3 standing in the name of the Hon. Member for Lethbridge-Foothills (Mr. Thacker).

Mr. Blaine A. Thacker (Lethbridge-Foothills) moved:

Motion No. 3.

That Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended

(*a*) by adding immediately after line 31 at page 2, the following:

"(2) All directors, other than the President, shall have tenure for no longer than two consecutive terms of office."

(*b*) by renumbering the subsequent subclauses accordingly.

Mr. Deputy Speaker: 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 to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 4 standing in the name of the Hon. Member for Lethbridge-Foothills (Mr. Thacker).

Mr. Blaine A. Thacker (Lethbridge-Foothills) moved:

Motion No. 4.

That Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended in Clause 11 by striking out line 35 at page 4 and substituting the following therefor:

"Council to hold office during pleasure for such term, not exceeding five years, and one only renewal term of five years."

Mr. Deputy Speaker: 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 to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 5 standing in the name of the Hon. Member for Lethbridge-Foothills (Mr. Thacker).

Mr. Blaine A. Thacker (Lethbridge-Foothills) moved:

Motion No. 5.

That Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended by adding immediately after line 27 at page 5, the following:

"(3) The salary, fees or other remuneration, and travel expenses and other expenses shall be itemized for each director, the President and each vice-president and shall be published in each annual report filed in accordance with section 40 of this Act."

Mr. Deputy Speaker: 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 to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 13 standing in the name of the Hon. Member for Rimouski-Témiscouata (Mrs. Côté).

Mrs. Eva Côté (Rimouski-Témiscouata): moved:

Motion Nº 13.

That Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended in Clause 29 by striking out line 8 at page 18 of the French version and substituting the following therefor:

"vérification intégrée des comptes de ladite".

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

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Motion agreed to on division.

● (1750)

Mr. Deputy Speaker: The next question is on Motion No. 14 standing in the name of the Hon. Member for Moose Jaw (Mr. Neil).

Mr. Doug Neil (Moose Jaw) moved:

Motion No. 14.

That Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be amended in Clause 41 by striking out lines 9 to 15 at page 22 and substituting the following therefor:

"Coming into Force and Expiration

41.(1) This Act shall come into force on the day immediately following the day it is assented to.

(2) This Act expires on December 31, 1988, or on such earlier date as may be fixed by proclamation or a motion for the consideration of the House of Commons that is approved by the House pursuant to subsections (6) and (7) unless, before December 31, 1988 or any earlier date fixed by proclamation or any such motion for the consideration of the House that is so approved by the House, an Order in Council is made to the effect that this Act shall continue in force for such period of time as may be set out in the Order in Council.

(3) A motion for consideration of an Order in Council referred to in subsection (2) shall be laid before Parliament not later than three days after the Order is made or if Parliament is not then sitting, within the first fifteen days next thereafter that Parliament is sitting, and each House shall, in accordance with the Rules of that House, take up and consider the motion, and all questions in connection with the motion taken up and considered by that House shall be debated without interruption and decided not later than the end of the third sitting day next after the day the motion is first so taken up and considered.

(4) If, at the conclusion of the consideration of an Order in Council pursuant to subsection (3), both Houses of Parliament do not resolve that the Order in Council be approved, it shall thereupon cease to have effect.

(5) Failure of either House or both Houses of Parliament to resolve that an Order in Council referred to in subsection (2) be approved does not affect the validity of any action taken or not taken in reliance on the Order in Council prior to the conclusion of consideration thereof pursuant to subsection (3).

(6) Where a motion for the consideration of the House of Commons, signed by not less than fifty Members of the House, is filed with the Speaker to the effect that this Act shall expire on a date before December 31, 1988 that is specified in the motion, the House of Commons shall, within the first fifteen days next after the motion is filed that the House is sitting, in accordance with the Rules of the House, take up and consider the motion, and if the motion, with or without amendments, is approved by the House, this Act expires on the date that is specified in the motion.

(7) All questions in connection with any motion taken up and considered by the House of Commons pursuant to subsection (6) shall be debated without interruption and decided not later than the end of the third sitting day next after the day the motion is first so taken up and considered."

Mr. Deputy Speaker: 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 to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 70, the recorded division on the proposed motion stands deferred.

The House will now proceed to the taking of the deferred divisions.

Call in the Members.

Madam Speaker: The question is on Motion No. 6.

The House divided on Motion No. 6 (Mr. Schellenberger), which was negatived on the following division.

(*Division No. 325*)

YEAS

Messrs.

Andre
Baker (Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid (St. Catharines)
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau

Canagrex

Messrs.

Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.)
(Broadview-Greenwood)
McRae
Miller
Munro
(Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Burnaby)
Robinson
(Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I had consultations with representatives of the Parties in the House and, in light of the fact there are many motions on the Order Paper, I would like to propose the following: That the recorded division we just had on Motion No. 6 will dispose of Motions numbered 1 and 8, and that this division will also apply to Motion No. 7 which disposes of Motions numbered 9, 10, 11 and 12, and further applies to Motions numbered 3, 4, 5 and 14.

In other words, Madam Speaker, what I am suggesting is that the recorded division on Motion No. 6 should be recorded in our annals as also applying to Motions numbered 7, 3, 4, 5 and 14. It is also my understanding that the Motion for concurrence will be on division.

Madam Speaker: Does the House agree to the proposal?

Some Hon. Members: Agreed.

Madam Speaker: Agreed and so ordered.

The House divided on Motion No. 7 (Mr. Schellenberger) which was negatived on the following division:

(Division No. 326)

YEAS

Messrs.

Andre
Baker
(Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-Maple
Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid
(St. Catharines)
Roche
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.)
(Broadview-Greenwood)
McRae
Miller
Munro
(Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier

Messrs.

Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Burnaby)
Robinson
(Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

The House divided on Motion No. 3 (Mr. Thacker) which was negatived on the following division:

(*Division No. 327*)

YEAS

Messrs.

Andre
Baker
(Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hamilton
(Swift Current-Maple Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid
(St. Catharines)
Roche
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.)
(Broadview-Greenwood)
McRae
Miller
Munro
(Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Burnaby)
Robinson
(Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

The House divided on Motion No. 4 (Mr. Thacker) which was negatived on the following division:

(*Division No. 328*)

YEAS

Messrs.

Andre
Baker
(Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hamilton
(Swift Current-Maple Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid
(St. Catharines)
Roche
Schellenberger
Scott
(Hamilton-Wentworth)

Canagrex

Messrs.

Scott (Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.) (Broadview-Greenwood)
McRae
Miller
Munro (Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

The House divided on Motion No. 5 (Mr. Thacker) which was negatived on the following division:

(*Division No. 329*)

YEAS

Messrs.

Andre
Baker (Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid (St. Catharines)
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.) (Broadview-Greenwood)
McRae
Miller
Munro (Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

The House divided on Motion No. 14 (Mr. Thacker) which was negatived on the following division:

(*Division No. 330*)

YEAS

Messrs.

Andre
Baker (Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid (St. Catharines)
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

NAYS

Messrs.

Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.) (Broadview-Greenwood)
McRae
Miller
Munro (Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

Canagrex

Mr. Thacker: Madam Speaker, there has been a very serious breach of order in that for the first time here in many years we have seen the Hon. Member for Windsor West (Mr. Gray) laugh.

Some Hon. Members: Hear, hear!

Mr. Crosbie: I hope I never have that experience again.

Madam Speaker: The next question is on the motion of the Minister of Agriculture (Mr. Whelan) that Bill C-85 as amended be concurred in.

Mr. Nielsen: Madam Speaker, if the same recorded division could be registered in *Hansard*, we are agreeable to the matter going on division.

Madam Speaker: Is that agreed?

Some Hon. Members: Agreed.

Mr. Whelan moved that the Bill as amended be concurred in.

The House divided on the Motion (Mr. Whelan) which was agreed to on the following division:

(*Division No. 331*)

YEAS

Messrs.

Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blaikie
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gimaïel

Canagrex

Messrs.

Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
Leduc
Lewycky
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Maltais
Manly
Marceau
Massé
Masters
McDonald (Ms.)
(Broadview-Greenwood)
McRae
Miller
Munro
(Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Olivier
Orlikow
Ouellet
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Burnaby)
Robinson
(Etobicoke-Lakeshore)
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

NAYS

Messrs.

Andre
Baker
(Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Domm
Elzinga
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-Maple
Creek)
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Kempling
Kilgour
King
Korchinski
Lambert
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
MacKay
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid
(St. Catharines)
Roche
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wright—87.

Madam Speaker: It now being 6.30 p.m. I do now leave the Chair. The House stands adjourned until tomorrow at two o'clock.

At 6.30 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, June 8, 1983

The House met at 2 p.m.

• (1405)

[*English*]

NEW MEMBER INTRODUCED

Mr. Lee Clark, Member for the electoral district of Brandon-Souris, introduced by Hon. Erik Nielsen and Hon. Jake Epp.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

ADMINISTRATION OF JUSTICE

JUDGE'S RULING ON NUDE DANCING IN TAVERN

Mr. Garnet M. Bloomfield (London-Middlesex): Madam Speaker, I wish to bring to your attention a recent court case in the city of London where Judge Menzies acquitted a restaurant owner charged with allowing an exotic dancing female to perform indecently in his tavern.

The judge was reported to have said that the standard is what the community will tolerate in a tavern performance and not what the tavern patrons will tolerate. The performance he was considering involved "a nude dance with gestures", and he noted he could not find a legitimate claim to artistic merit in the performance. It would be difficult to explain away the dancer's movements as being other than indecent, when taking into account the description of the act by morality officers.

The judge said he had no doubt that many people would find the performance, or a portion of the performance, offensive. However, he doubted whether the particular dance went beyond the tolerance of the community.

The judge would have been much more correct, I believe, if he had said "most" instead of "many" people would find the act to be offensive because I can assure Your Honour that by far the majority of the London and Middlesex community would find this to be totally unacceptable behaviour. The judge, by further suggesting that the community would be served by appealing his decision, either did not disagree with this performance or did not have the intestinal fortitude to rule against it.

Madam Speaker, I am beginning to wonder if we should set up some kind of a review board similar to the doctors' to make sure that judges remain qualified to deal with their cases.

PIPELINES

CALL FOR PRODUCTION OF TASK FORCE REPORT

Mr. Dave Nickerson (Western Arctic): Madam Speaker, the report of the National Energy Board on pipeline construction costs was released one year ago in June, 1982. This report confirmed that pipeline costs had been rising at a rate appreciably greater than the general rate of inflation since 1975, and it recommended certain approaches whereby the problem might be alleviated.

In response, the then Minister of Energy, Mines and Resources in August of 1982 created the special Task Force on Pipeline Construction Costs headed by Mr. Vernon Horte, and we were told that the task force would report by June of 1983. The Task Force was to have examined costs of materials, and labour, and contracting costs, and particularly regulatory costs.

• (1410)

It is now June, 1983, and no report has been forthcoming. We therefore urge the task force to complete its work as soon as possible, and urge the new Minister to make the report public within the promised time period and to state what positive action will be taken by the Government to keep Canadian pipeline construction costs competitive.

* * *

HUMAN RIGHTS

SOUTH AFRICA—SCHEDULED EXECUTION OF AFRICAN NATIONAL CONGRESS MEMBERS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, three members of the African National Congress are scheduled to be executed tomorrow in South Africa, which is late this evening Ottawa time. It is the first politically motivated execution in four years. At the same time three other ANC members have had their sentences commuted to life imprisonment. This inconsistent and excessively harsh execution decision is a tragic move which will make peaceful settlement of South Africa's difficulties almost impossible.

Despite warnings from human rights groups and Amnesty International that the executions will only serve to intensify racial conflict in that unhappy white minority ruled country, the South African Government persists in its inhuman, racist policy of apartheid, and in a provocative declared war on the African National Congress. It is a war which was recently extended into the territories of neighbouring countries.

S.O. 21

Canadian officials made representations to the South African Government last fall asking that the sentences be commuted. In keeping with Canada's opposition to capital punishment and in recognition of South Africans, both black and white, who are struggling for racial equality in that country, on behalf of the whole NDP federal caucus I urge the Prime Minister (Mr. Trudeau) to issue a personal plea for the lives of these three South Africans while there is yet time before an&ed250;-1 y more blood is added to the judgment which white South Africa must face sooner or later for its unjust policies.

While the Prime Minister is at it, will he also make representations on behalf of Nelson Mendela, leader of the largest section of the South African population, who is in prison and has lately had the severity of his punishment while in prison increased to the point where he, and other leading political prisoners, are having their very survival threatened.

* * *

[*Translation*]

BILINGUALISM

ABILITY OF MEMBER FOR ST. JOHN'S WEST TO COMMUNICATE

Mr. Roger Simmons (Burin-St. George's): Madam Speaker. I am rising to defend a very deserving fellow Newfoundlander, who has been mercilessly misrepresented by the press. My good friend, the Member for St. John's West (Mr. Crosbie) has been accused of lacking the ability to communicate with Francophones as well as he does with other groups in this country. This gross allegation is a cowardly distortion of the facts, which must not be allowed to go unchallenged. I have known the Hon. Member for St. John's West for 20 years. I know him as a federal politician, and I have known him as a provincial politician, both as a Tory and as a Liberal, and, Madam Speaker, I can assure you—and I do not think anyone will be able to deny—that during his mandate as a provincial politician, we in Newfoundland were able to fully appreciate his ability to understand and respond to the poor, the unemployed and people on low incomes. Francophones, have no fear! You will be understood as well or even better by the Hon. Member for St. John's West, once he has been elected Leader of the Progressive Conservative Party. There is no doubt about that!

* * *

[*English*]

AIR SAFETY

DEMAND THAT PLANES BE REFITTED WITH FIRE RETARDANT MATERIALS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, some 48 hours after the Dallas to Toronto Air Canada fire tragedy, my family and I confidently climbed aboard a Tampa to Toronto flight on Air Canada, which we still regard as one of the world's safest airlines.

Until all investigations are completed in both Canada and the United States, we will not know for sure what triggered the blaze in a rear washroom and killed 23 people. What we do know is that any fire aboard the most sophisticated airliners can spread with frightening intensity. A professional chemist who witnessed the fiery landing says he saw the billowing smoke changing from white to deep gray, and then to black, which made him "pretty sure that was PVC, polyvinyl chlorides, burning . . . Those folks were stunned to their seats and couldn't breathe."

It deeply worries me, Madam Speaker, that anyone who smokes on a commercial airliner can accidentally or deliberately set fire to an airplane's cushions, fabrics, plastic panelling, and other highly flammable materials. My first instinct is to ban all smoking on all airlines under Canadian registry. Realistically, this would be a monumental regulation to enforce. We do protect passengers from guns and explosives through security detection devices, but we cannot prevent people from torching planes, or even the chance that someone might stealthily light up in a lavatory.

• (1415)

What this Parliament can and must do is require domestic air carriers to refit their planes with fire retardant materials. One expert in the field says this could cost passengers an extra two cents a ticket.

Madam Speaker: Order, please.

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

CANADAIR—REQUEST THAT AUDITOR GENERAL CONDUCT COMPREHENSIVE AUDIT

Mr. Scott Fennell (Ontario): Madam Speaker, my question is for the Prime Minister. Yesterday he suggested that we go to the committee and ask the Minister who is in the other place to answer our questions. Unfortunately, we got no answers.

Mr. Nielsen: Stonewalled.

Mr. Fennell: Yes, we were stonewalled by him. That is correct.

I would like to point out to the Prime Minister that in 1975 the Department of Industry, Trade and Commerce came out with a report stating that Canadair was not equipped nor did it have the personnel to build a plane from the ground up. Further, in 1982, another report from the Department of Industry, Trade and Commerce came out stating that this company would lose at least $1.8 billion and possibly $2.3 billion.

I would like to know from the Prime Minister what right the Government has to provide more funds for the Corporation until such time as a comprehensive audit is completed by the Auditor General.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, in 1975, the Government supported Canadair, and when it received the corporation's proposal for the Challenger program, the Government agreed with great enthusiasm, because it knew that Canadians were capable of tackling this job and putting the program on the right track. Today, we have an aircraft that is among the most sophisticated in its field. While this program was being developed, Canadair experienced management problems. Yesterday, the Minister responsible tabled a report analyzing the problems of Canadair. The Government was aware of these problems and knew that a business-like response was necessary. The Government provided that response by establishing the Canada Development Investment Corporation, through which the shareholder, in other words the Government and Canadian taxpayers, is represented at Canadair and the program can be put back on the right track, and we shall then be able to market an aircraft of which all Canadians are proud and that will make its way in the international aeronautics field.

[*English*]

Mr. Fennell: Madam Speaker, that is a total coverup. The Prime Minister will not answer questions regarding Canadair and other Crown Corporations. CDIC has been created to absorb Canadair, and TeleGlobe's profit can be—

Madam Speaker: Order, please. All we need are questions, not comments on the answers.

JUSTIFICATION FOR ESTABLISHING NEW CORPORATIONS

Mr. Scott Fennell (Ontario): Madam Speaker, my question is for the Prime Minister. What justification does the Government have to set up any further Crown corporations when the already existing corporations, as exhibited by Canadair, cannot manage themselves, are not supervised by the Ministry, and are not watched over by the Government of this country?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Members opposite have been asking repeatedly to have Canadair and other Crown corporations given the opportunity to testify before committees of the House, and to provide answers to questions that have been and are being raised by Parliamentarians and the Canadian public. Yesterday, today and probably next week, there have been and will be committee sittings, at which Members have an opportunity to direct questions to the people responsible for Canadair, to the people responsible for the new Corporation representing the Government and to Canadians employed by Canadair. The Hon. Member seems to think we are hiding something. How can he justify that assumption when, in fact, opportunities are being provided for examining the accounting practices of Canadair before the Committee on Public Accounts and for examining the policy that will be adopted by the new Corporation vis-à-vis Canadair before the Committee on Finance, Trade and Economic Affairs. We are providing a golden opportunity for Hon. members and the public to ask questions about the actions of the Government and its Corporations.

• (1420)

[*English*]

AUDITING OF CROWN CORPORATIONS—GOVERNMENT POLICY

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Prime Minister. It concerns a matter of policy. The Prime Minister will know that Canadair, according to his favourite, Joel Bell, carried on a liberal accounting policy. It did not quite account for its losses. Indeed, in every year since we have owned this company it showed a profit, despite the fact that it had over $700 million in losses. Would it now be the policy of the Government to require the Auditor General to audit every Crown corporation so that at least we would have consistent auditing and no fancy tricks, and Members of Parliament, and indeed the Government, would know when they looked at a financial statement that all reports were prepared with the same degree of clarity, honesty, and forthrightness?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if the Hon. Member is following the debates in committee, he will see that the decision to transfer the assets of Canadair to CDIC and to bring the matter before Parliament by way of a supplementary estimate was precisely so that Members on all sides, and the public, could be satisfied with the auditing. I do not think the debate is on the quality of the auditing or on its frequency, because the Government is undertaking, through CDIC, to ensure the most complete auditing done by respected auditors. Whether or not they be in the Auditor General's office, in my mind is a secondary matter.

The main matter is what decision the Government should be taking with Canadair and, in a parallel way, with de Havilland. The Government decided back in the middle 1970s that it should not let the aircraft industry go under when de Havilland, on the one hand, and General Dynamics, on the other hand, were letting Canadair and de Havilland in Toronto go under. They were letting them get out of the business. The Government decided at that point that the aeronautics industry was too important for Canada to let it disappear because there were no private takers to keep it going. That is why we kept it going.

There is no doubt that some of the events in the development of the Challenger, in particular, in Canadair have been most unfortunate. The Minister responsible has been saying that in front of the committee. The question for the Government—and I would think for the whole of Parliament—is what do we do for that industry. Do we let it sink? Do we write it off? Do we forget the potential for Canada in the aeronautics industry,

or do we try to rescue it? On the matter of rescuing it, I do not think the Hon. Member could come forth with anybody in the private sector who would be prepared to take over or buy the assets of Canadair or de Havilland now.

Some Hon. Members: Not now.

Mr. Trudeau: My case rests. Since the Opposition recognizes that the private sector would not take it now, we have a choice of letting that industry die or of keeping it going with government funds. We chose the latter. If the Opposition chooses to let it die, it should say so now.

Mr. Blenkarn: The Prime Minister will know that we have lost $1.4 billion. The Government has come to the House of Commons for another $240 million. That will not even last us through the balance of this year. The Government will have to return to the House of Commons for more money later this year. Somewhere along the line we need some sense of accounting and some sense of accountability.

REQUEST THAT ALL CROWN CORPORATIONS BE AUDITED BY AUDITOR GENERAL

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I would like to ask the Prime Minister another question. In the CDIC Bill there is no provision for the Auditor General to audit the accounts of CDIC. The Auditor General has indicated that every other aircraft company audited its books in such a fashion as not to capitalize interest, as not to capitalize free flights to "nowheresville", as not to capitalize promotion items, but this company did.

• (1425)

If we had one consistent auditing system we would know where we have been going, and where we have been going wrong. We would have known five years ago, four years ago—

Madam Speaker: Order, please. I cannot let the Hon. Member go on. He must ask a question.

Mr. Blenkarn: I am just trying to have equal time, Madam Speaker.

Will the Prime Minister now undertake, as far as the Canada Development Investment Corporation is concerned, that that corporation—

Madam Speaker: Order, please. The Hon. Member very often asks questions in Question Period. He knows that he cannot go on in this manner.

Mr. Blenkarn: I will repeat the question. Will the Prime Minister now undertake that the Canada Development Investment Corporation and its subsidiaries will be audited by the Auditor General?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think the Government is doing even better. It is asking that the accounts be audited by the House of Commons. That is why their accounts are in front of the House of Commons. Surely, if the Hon. Member wants to address the real question, it will be on how we manage that company now and in the future. Whether it is audited by the Auditor General or not is secondary. There are successful companies in Canada in the private sector which are obviously not audited by the Auditor General, yet the audits made by qualified auditors in Canada are accepted by everybody. Therefore, that is a secondary question.

The main question is how to ensure that management in the future should be good and should be accountable. That is the question. Short of being able to pass it on to the private sector, which the Opposition says is not possible at this time, we can either let it die or we can make sure that it is managed in a way which is responsible to Parliament. This is the purpose of giving it to the CIDC. That is why we now have the Minister in front of the parliamentary committee responding on the management and undertaking to do certain things.

* * *

EXTERNAL AFFAIRS

CENTRAL AMERICA—UNITED STATES MILITARY INVOLVEMENT

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, the tensions in Central America grow greater every day. The U.S. military involvement, directly and indirectly, is also growing greater. The Prime Minister, to whom I direct my question, has called for an end to all foreign intervention and the opening up of political discussions and negotiations. On Friday evening the Secretary of State for External Affairs, although he repeated that call at the meeting of the United Nations Association, failed to condemn increased U.S. military presence in the area and justified U.S. actions in the area because it is strategically important. Is the Government now saying that there is a need and a justification for U.S. military involvement in the region?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I agree with the Secretary of State for External Affairs that Central America is an area of strategic importance to the United States. I agree with the proposition put forward by the President of the United States that all sides should withdraw outside military systems and other forms of arms. That is the Canadian Government's policy. In the meantime, it is obvious that the other side is not withdrawing its military support. Therefore the bargain put forward by President Reagan is not being accepted by the other side.

The question the Hon. Member asks is on what is best for the future of that area. I think it is arguable that merely military intervention will not solve the problems of Central America. The problems go far beyond that. In that regard the Secretary of State for External Affairs and myself have held views which are somewhat divergent from those of President Reagan and the U.S. administration. I know that when one begins to say that, the Opposition gets all bewildered and says: "Well, is he in agreement or is he not in agreement?"

• (1430)

There are some things that we do agree with, Madam Speaker. We do agree that Central America is an area of strategic importance to the United States. The ways in which it tries to ensure that Central America remains within, shall we say, the influence and the camp of democratic societies rather than going over to communist societies can be a subject of difference. On that subject, the Secretary of State for External Affairs has indicated several times that the problems there are social and economic before they are military. That is the position of this Government.

Miss Jewett: Madam Speaker, within that long answer the Prime Minister is still broadcasting to the Canadian public two different signals. On the one hand, the Secretary of State at the United Nations—

Madam Speaker: Order, please. Order, please. Today's Question Period is off to a bad start. Questions are far too long. I can see that the Hon. Member is about to repeat what the Prime Minister has said. I would like her to go directly to her question.

Miss Jewett: Madam Speaker, I believe that that is most unfair, because I asked a very short question.

Some Hon. Members: Oh, oh!

CANADIAN POSITION

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, I will ask the Prime Minister if there is not an inconsistency between, on the one hand, saying at the United Nations that Canada is opposed to all military intervention and, on the other hand, saying that some military intervention is all right if it is in the strategic interests of the United States.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I will try to keep my answer very short. I think that the two propositions are not exclusive. If all military intervention ceases, as we hope, then obviously it would be bad for the United States to intervene militarily because the hypothesis is that all should cease, including both sides. But if all military intervention does not cease, then we do not think that the United States must necessarily cease when the other side continues sending arms.

Miss Jewett: Madam Speaker, perhaps the Prime Minister will say that at the United Nations next time.

CONTADORA GROUP CONFERENCES

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, my final supplementary question is to ask whether or not Canada would, if asked, agree to be an observer at the Contadora group conferences.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think that I would have to take that question as notice. It is a suggestion that I have discussed myself with the Secretary of State for External Affairs. I raised the subject at Williamsburg with the other Summiteers. I had the assurance from our main partners that they are sympathetic to the actions of the Contadoras, but as to whether we will or should be an observer or not, I would have to say that I have not had an answer yet from the Department or from the Minister.

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NATIONAL ENERGY PROGRAM

RECOMMENDATION THAT PROGRAM BE SCRAPPED

Mr. Harvie Andre (Calgary Centre): Madam Speaker, my question is directed to the Minister of Finance and deals with the National Energy Program which was introduced in the Minister's budget of October 28, 1980. Yesterday the C.D. Howe Research Institute released a study confirming the widely held if not universally held view that the National Energy Program has had disastrous consequences for the Canadian economy by costing Canadians billions of dollars and thousands of jobs. The study concludes that the NEP must be scrapped, and calls for a parliamentary task force to reassess Canada's energy objectives. Will the Minister accept the recommendations of this non-partisan research institute, admit the failure of the National Energy Program, and appoint a task force with a mandate to do the job quickly and report back to the House quickly so that new and more appropriate energy policies can be implemented?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, first the Hon. Member refers to a report prepared by two researchers. Second, I would invite the Hon. Member to read the report. The report does not say what the Hon. Member has indicated that it says. Third, I would indicate to the Hon. Member that many changes have been made to the National Energy Program since its announcement in 1980 to take into account the evolution of the oil and gas sector. Some changes were announced in my last budget and others were announced as part of the agreement made with Alberta in September, 1981. Other changes have been made at various times through various budgets. There has been a flexible examination of the situation at all times, and adjustments have been made.

I would argue to the contrary and say that the situation in Canada compared to that in the United States, for instance, is very good at the present time. I could mention a number of foreign companies that have decided to move some of their investments back to Canada or expand investments in Canada rather than in the United States at this time.

Mr. Andre: Madam Speaker, the Minister's answer indicates the vital necessity for such a task force because he is completely out of touch with reality. The report says that the National Energy Program failed to promote Canadianization. It did the opposite. The report says that the National Energy

Program failed to bring about fair taxation. It did the opposite. The report says that the National Energy Program has delayed self-sufficiency until well into the next century, if we ever get out of the current recession.

REQUEST THAT TASK FORCE STUDY BE INITIATED

Mr. Harvie Andre (Calgary Centre): Madam Speaker, in view of the incredible damage being done to Canadians through the loss of jobs, will the Minister not put the future of the country ahead of his own pride and at least admit that there is some truth to this report which everyone except the Minister, supports and will he initiate such a study so that corrections can be made and Canadians can be given some hope for the future now, and not have to wait for the next election?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, not only does the Hon. Member's question show that he has not read the report, but it shows as well that he continues to live in his own dream world. I will deal with the three points he has mentioned. Canadianization has been substantially expanded since 1980. The share of Canadian ownership in the oil and gas industry has expanded very significantly and Canada will, within this decade and at long last, own and control 50 per cent of its oil and gas industry.

As to the question of self-sufficiency, I would remind the Hon. Member that the country has been self-sufficient since last August, some seven years previous to the 1990 target date set by the National Energy Program. It is true that there will be some problems as consumption increases, but again everyone recognizes that the target date of 1990 for self-sufficiency is a very modest one, and most people recognize that the country will achieve this well before 1990.

As to the point the Hon. Member made about taxation, I remind my hon. friend that a company such as Total, which had decided to withdraw from Canada and sell its assets, has reversed its position in the last few months and, on the contrary, has decided to expand its investments in Canada because returns on investments in Canada are higher than they are in the United States. Net profits going back to oil and gas companies are higher in Canada than in the United States.

* * *

CROWN CORPORATIONS

CANADAIR—MANAGEMENT PERFORMANCE RECORD

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is addressed to the Prime Minister. The Prime Minister has explained why the Government bought Canadair seven years ago, and he has explained some of his plans for its future, but he has not explained why his Government managed Canadair so badly that it lost $1.4 billion last year creating the largest corporate disaster in Canadian history. The question that Canadians want to ask is this: since there were at least two task forces on Canadair, and since the Government does have its own members on the board of directors, why did the Government not know that Canadair was going into such a deep dive and, if it did know, why did it not do something about it?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it is because some of the members of the board of directors alerted us to some of their worries that we set up the task forces. It is because the task forces reported that we decided to take over the management of Canadair in a way that would see it become responsible to Parliament. As the Hon. Member knows, the previous situation was one of having a commercial type Crown corporation, one which was not under direct Government management and which did not prevent the same kind—

Mr. Stevens: Why not?

Mr. Trudeau: Why not, Madam Speaker, the Hon. Member asks? It is because when we took over Canadair and de Havilland, we did it in the hope that we would be able to turn in over to the private sector as soon as possible and therefore—

Mr. Stevens: The Prime Minister was the manager.

Mr. Trudeau: Madam Speaker, perhaps the Hon. Member for York-Peel will rise on a supplementary question, but I cannot answer two questions at the same time. I am sorry.

Miss Carney: Madam Speaker, we are making some progress. The Prime Minister has just told us that his Government, through either cash injections or loan guarantees, committed the Government—

Some Hon. Members: Oh, oh!

An Hon. Member: Ask the question.

Miss Carney: I think the Prime Minister should be allowed to hear my question. He has just told us that he committed Canadians to—

• (1440)

Madam Speaker: Order, please. I saw the Hon. Member shake her head when another Hon. Member was repeating an answer. I would urge her to ask her question and not repeat the answers.

FUNDING AND MANAGEMENT

Miss Pat Carney (Vancouver Centre): Madam Speaker, could the Prime Minister tell the House why his Government made either cash injections or loan guarantees totalling $2.3 billion, or roughly $1 million per employee at Canadair, without bothering to manage the company, which he has just said they did not do?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member will have to understand the type of Crown corporation.

Miss Carney: We sure do.

Mr. Trudeau: It was a commercial type Crown corporation which the Government does not directly manage. It names directors, it has a management group, and from time to time the Department, in this case the Department of Industry, Trade and Commerce, through representatives of the bureaucracy on the board, attempt to follow the matter. It has been proven that this is not the best way of managing because the civil servants in Departments are not equipped to second guess, nor should they, perhaps, second guess the management and say, "You should have decided this rather than that." All they can do is send out danger signals. It was because the danger signals became very worrisome that we decided to change the form of management.

We now have management through the CDIC which is managing a commercial company which in a way has more responsibility to parliament. The CDIC is that, Madam Speaker. It is appearing before Parliamentary committees now and it will do so in the future. It has undertaken to give quarterly reports on the management so that Parliament and the Government can be more up to date on how the management is performing. That is why we made the change. Until then, Madam Speaker, we thought—

Madam Speaker: The Hon. Member for Trinity.

* * *

SCIENCE AND TECHNOLOGY

DIFFUSION OF KNOWLEDGE THROUGH PATENTS OFFICE

Miss Aideen Nicholson (Trinity): Madam Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. In view of the recent Economic Council of Canada studies which suggest that information about new technological advances is slow to reach potential users in Canada, will the Minister consider enlarging the role of the Patents Office to allow it to play a more active role in the diffusion of knowledge about technological advances as is done in the countries of some of our competitors?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, this is a very interesting question. I should be happy to discuss this point with my departmental officials, and I wish to thank the Hon. Member for making this very interesting suggestion.

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[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

PENALTY PROPOSED FOR MEDIA DISCLOSURE OFFENCES

Mr. Svend J. Robinson (Burnaby): Madam Speaker, my question is for the Solicitor General and it concerns the proposed legislation to create the new Security Service. If a member of this new Security Service, or even an informer for the Service, commits a serious criminal offence, is convicted of the offence and possibly fired, the Minister knows that under Clause 12 of the legislation any member of the press, or anyone else who reports that fact or details of the offence, can be sent to prison for five years. How can the Minister possibly justify this totalitarian media gag which, in effect, is a denial of the right of freedom of the press under the Charter of Rights, and makes a mockery of the safeguards under the law?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, Clause 12 is intended to protect Service members who are under deep cover or in cases where revelation of their identity would be injurious to the operations of the Security Service. It is not intended as a coverup for wrongdoing. I look forward to dealing with that Clause and others in a constructive way in committee when the Bill is referred.

Mr. Robinson (Burnaby): Madam Speaker, the Minister knows very well that is in fact a coverup of any details whatsoever of any possible wrongdoing.

ACCESS TO CONFIDENTIAL RECORDS

Mr. Svend J. Robinson (Burnaby): Madam Speaker, under Clause 22 of the new Bill the new Security Service is given carte blanche access to all confidential records, including tax records, medical records, journalists' notes, lawyers' files, MPs' records, social insurance numbers and, incredibly, even census records. How can the Minister possibly justify this massive invasion of the privacy of Canadians? Specifically, what possible reason can there be for the Minister's ignoring the recommendations of the McDonald Commission and allowing the new secret police carte blanche access to census records which are obtained from all Canadians on the basis of total and absolute confidentiality?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, what the Hon. Member has forgotten to mention, as he misrepresents the Bill across the country, is that there is a very strong safeguard provided in the fact that none of these new intrusive powers can be exercised without a member of the agency approaching a judge and satisfying the judge that the target is a threat to the security of Canada under the tight definition provided in the legislation, and that the operation is justified. I think if the Hon. Member would inform people about the balancing safeguards, as well as telling them about the powers, and about the requirement that this country has, as do all countries, for a national security program, he would be serving the interests of Canada better.

Oral Questions

CROWN CORPORATIONS

CANADAIR—FORMER MINISTER'S STATEMENT ON FUNDING OF EXECUTIVE JET PROGRAM

Hon. Allan B. McKinnon (Victoria): Madam Speaker, I would have liked to have put my question to the Minister of Energy, Mines and Resources but, in his absence, I will put it to the Minister of Industry, Trade and Commerce.

To keep the Canadair fiasco and its causes in proper perspective, could the Minister tell the House what the former Minister of Industry, Trade and Commerce meant when he said in *Hansard* on October 18, 1976, speaking about the finances of what was then called the Lear jet proposition, as reported at page 142:

> We took no decision yet concerning this proposition which seems extremely interesting and which does not require direct financial intervention by the Government.

Could the Minister explain that gross misrepresentation to the House?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think the Hon. Member should take a careful look at the report submitted yesterday to Members of the Committee by the Minister responsible. This report is available to all Members. Furthermore, I fail to see how attempts to seek contradictions in various answers that were given can clarify the subject we are discussing at the present time.

[*English*]

CLAIM OF SALES OF CHALLENGER JET AIRCRAFT

Hon. Allan B. McKinnon (Victoria): Madam Speaker, I will direct my supplementary question to the same Minister. In 1977 the then Minister of Industry, Trade and Commerce, now the Minister of Energy, Mines and Resources, speaking about the Lear jet challenger program said, as reported in *Hansard*:

> Some people felt I was taking a gamble going into that. I am glad to report to this House today that as of yesterday we signed sixty-five contracts and another ten will be completed very soon. The marketing is so good that we hope by the end of the year to have sold at least 125, the break-even point. We have done this in the past two months. I wish the Opposition would open their eyes once in a while.

Seeing that the then Minister of Industry, Trade and Commerce was boasting about the program at that time, is the Minister now agreed that the Minister who boasted about it should accept some of the responsibility for this financial bath of unparalleled proportions?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, earlier, in response to a previous question, I indicated that the Government had been enthusiastic in its support for the Challenger program, and that it was still supporting the Challenger marketing program. Obviously, the outlook for marketing and sales may be revised at some point, because of a number of conditions that are going to change according to the report tabled yesterday by the Minister responsible. Furthermore, it seems that a great many conditions have changed throughout the program, including marketing conditions, delivery of engines for the aircraft, and so on, so that the original forecasts are no longer entirely accurate. These forecasts have now been revised. The commercial development plan for Canadair is based on new forecasts, and we hope they will be positive.

[*English*]

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AIR SAFETY

REQUEST THAT SMOKING BE BANNED ON AIR CANADA FLIGHTS

Mr. Gilbert Parent (Welland): Madam Speaker, may I direct a question to the Minister of Transport. Following on the tragedy of the Air Canada flight which had to land at Cincinnati, and following on the statement made today by my hon. colleague on the other side, could the Minister tell the House if he would consider imposing a ban on smoking on Air Canada flights? If not, would he consider imposing a ban on smoking on all flights of a duration of less than two hours? Surely people who are smoking could give it up for a couple of hours if it would mean greater safety for the people of Canada.

• (1450)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, to my knowledge that question has not been addressed as yet. Smoking in our country is still considered to be socially acceptable, rightly or wrongly.

Mr. Hnatyshyn: It depends what it is.

Mr. Pepin: Certain sections of aircraft are designed for smokers, others for non-smokers. There are regulations concerning the precautions which must be taken in the aircraft, for example in the washrooms. There are all kinds of regulations concerning extinguishers, detectors, and so on. This is implemented now. The real cause of the DC-9 accident, as everyone knows from reading the newspapers, is still unclear. I feel we should wait until the report is addressed to us.

I am toying with the idea, because this is such an important subject, of suggesting to the Transport committee when matters are clarified, to have a meeting where experts could come and explain to Hon. Members what took place.

CROWN CORPORATIONS

CANADAIR—IMPACT OF FINANCIAL LOSSES

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, my question is directed to the Prime Minister and it has to do with the reported $1.4 billion loss by Canadair. A billion dollars is a lot of money for most Canadians. To put it in some kind of perspective, $1.4 billion would mean that in Manitoba, for instance, the taxation level could be half of what it is now for one year. Would the Prime Minister tell the House how his Government establishes spending priorities for such large sums of money when there are so many obvious requests on the public purse for Government to get involved in different programs?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member obviously realizes that this loss was not a spending priority of the Government. It is an unfortunate loss and one which, indeed, has to be shared by the taxpayers of all Provinces, and that is very unfortunate. What a responsible Government must do now—and I would suggest what a responsible Opposition should do, if we had one—would be to ask itself the question: do we kill the industry? Do we let it die because of these unfortunate incidents? Or do we try to keep it alive and manage it in a better way? For the time being the Government has chosen the latter option. The Opposition does not seem to have taken any option at all. It does not dare say to let it die. It just bemoans the past. It has no plans for the future, which has been proven by that Party throughout its leadership campaign.

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LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is directed to the Minister of Transport. It concerns the possibility of a grain port shutdown on the West Coast. It also concerns the important $5 billion per year grain trade. Last Friday in the House we suggested the possibility of having Mr. Justice Emmett Hall mediate this dispute. The union was reported yesterday as having welcomed the idea of Mr. Hall being a special mediator—

Some Hon. Members: Oh, oh!

Mr. Nystrom: Madam Speaker, can you get those crows to quiet down over there, please?

Given the Government's reluctance to intervene in this dispute, will the Minister now at least propose the idea of Mr. Hall being a special mediator to both sides, and let them decide whether or not they would accept this avenue of solving a dispute which is so potentially damaging to the economy of western Canada?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the Minister of Employment and Immigration, who was answering the question for the Minister of Labour on this subject a week or four or five days ago, has explained very, very well, in my view, that in this, as in other instances, the responsibility for settling labour problems belongs to the employers and the employees. It is apparently, and that is obvious for everyone to see, the judgment of the Department of Labour that the problem is better left now in the hands of the parties. This is a judgment call which it has made. This is the present situation.

I have read in the newspapers that the union has said that it has no intention to strike, and that the employers have said that they have no intention to lock out. That would indicate a willingness on the part of the two parties to compromise, and that is the judgment call which the Department of Labour has made. While I respect the suggestion made by my hon. friend of Justice Hall as a possible conciliator, he should go along with the judgment which has been made. Because both parties seem to want to reconcile their views, we should let them exercise this particular right.

CALL FOR MEDIATION

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, the union has repeatedly called for mediation and is now willing to accept Mr. Justice Hall. We have had no opposition to the idea expressed by the grain companies. Our Party and the Conservative Party have both called for mediation. The people in western Canada want mediation. I wonder when the Government is going to act. When is the Minister going to show some compassion for the people of western Canada? Why is he going to sacrifice the West once again? When is he going to act?

Mr. Nielsen: Act responsibly.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the Hon. Member seems to postulate his question on the grounds that the parties have no intention of coming to an agreement, that it is a wrong judgment call on the part of the Department of Labour. Be that as it may, I can only assure the Hon. Member that I am informed the Department is keeping in very close touch. There is a certain gentleman there by the name of R. Kelly, who knows something about these questions. He is on the job and watching events.

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ENERGY

PROVISION OF NATURAL GAS FOR MARITIME PROVINCES

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question is directed to the Minister of Finance. Among the

many broken promises of the Government since the last federal election was a firm commitment to make the maritime Provinces energy self-sufficient through natural gas by this very year, 1983. Will the Minister tell us how the Government can justify blowing hundreds of millions of dollars, probably more than $2 billion in all, on Canadair Ltd., when for a lesser amount it could have solved the whole energy problem of an entire region, with enormous job and economic spin-offs?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, first of all I would like to remind the Hon. Member that Canadair eight years ago had 700 employees. During the period since it was taken over by the Government it employed directly up to 7,500 employees and the average employment maintained during that period was about 5,000 people, who would not have had jobs otherwise. That does not include the hundreds of suppliers all across Canada who have benefited from orders from Canadair. My hon. friend should bear that in mind. What has happened in the meantime has been the creation of jobs and benefits all over Canada. That money did not disappear into a hole. It went into the hands of Canadians who have been kept at work, and these people are taxpayers, which has benefited the whole country.

As far as the maritime program is concerned, I would remind my hon. friend that the decisions have been taken as a result of extensive consultation with the provincial Governments in the Maritimes. The Province of Nova Scotia, in particular, is on the verge of being a supplier of natural gas from off Sable Island and we have decided, rather than bring gas from Alberta, for instance, into the Maritimes, it would be to the benefit of the maritimers if they could use gas which is going to be produced in the maritimes area. We have invested hundreds of—

Some Hon. Members: Order.

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CROWN CORPORATIONS

JUSTIFICATION FOR CREATION OF CANAGREX

Mr. Len Gustafson (Assiniboia): Madam Speaker, my question is directed to the Prime Minister. Given the record of Crown corporations such as Canadair and the fact that there are close to 400 Crown corporations, how can the Prime Minister justify allowing his Government to create another Crown corporation called "Canagrex", which will add to the bureaucracy, with powers to buy and to sell and to control the entire food industry of Canada?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Hon. Member knows what he says is exaggerated. I do not know how far his exaggeration goes, but it is widely exaggerated, that is for sure. His Party was the one which created the first Crown corporations in this country, the Canadian Wheat Board, the Canadian National Railways, the Canadian Broadcasting Corporation. He has not said he wants to get rid of any of those. There are Crown corporations in his Province which his Province is not getting rid of such as the Saskatchewan Potash Corporation. The Deputy Premier of that Province said the other day, "We are not getting rid of it. It is making money for us". If you look at Alberta you find they have successful Crown corporations there which are working. They are not intending to get rid of any of those, either. We are putting Canagrex into operation because the farmers of Canada have asked for it—

Some Hon. Members: Oh, oh!

Mr. Whelan: —the vast majority of farmers. There are a few farmers, a few exporters and so on, who are objecting to it, but, Madam Speaker, it is something the Liberal Party promised in two campaigns. It was endorsed by the vast majority of farm organizations. That is why it is being put forward.

Some Hon. Members: Hear, hear!

• (1500)

[*Translation*]

CANADAIR—LEVEL OF DEBT—SALARIES OF MANAGEMENT

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, my question is for the Right Hon. Prime Minister. Is he listening to me? Is he prepared to admit in the House that Canadair's total debt, that is $2.3 billion, is equivalent to the debts of all small and medium size enterprises which went bankrupt last year and, second, is he prepared to admit as well in the House that Canadair now has 120 senior officials earning more than $95,000 a year?

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the facts mentioned by the Hon. Member confirm that there are indications which indeed made the Government aware that the situation at Canadair was not normal. That is why the Government reacted by advocating a realistic solution, namely to be present so as to make it possible to keep a closer watch on Canadair's files and strengthen its commercial position.

[*English*]

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PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions, with the exception of one, presented by Hon. Members on Tuesday, June 7, 1983, meet the requirements of the Standing Orders as to form.

The petition presented by the Hon. Member for Wetaskiwin (Mr. Schellenberger) did not meet the requirements of the Standing Orders as to form.

Some Hon. Members: Oh, oh!

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HOUSE OF COMMONS

WELCOME EXTENDED TO MR. YANAKIS ON RETURN TO HOUSE

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, on behalf of all the Members of the House, it is a pleasure for me to welcome back to the House the Hon. Member for Berthier-Maskinongé-Lanaudière (Mr. Yanakis) after having undergone a very serious heart operation involving several months of recuperation. I know I reflect the thoughts of all the Hon. Members of the House and wish Tony Yanakis continued good health in all the years ahead.

Some Hon. Members: Hear, hear!

AGREEMENT NOT TO SIT ON FRIDAY, JUNE 10

Mr. Doug Lewis (Simcoe North): Madam Speaker, I would like to take this opportunity to inquire of the Government House Leader whether he can confirm that the House will not be sitting this Friday, in keeping with tradition, in order that we may carry out the Progressive Conservative Convention.

Hon. Yvon Pinard (President of the Privy Council): Yes, Madam Speaker, we want to go by tradition. It is with pleasure that we agree not to sit this Friday, knowing that in the past and in the future the same courtesy has been and will be extended to the different Parties in this place. Therefore this Friday the House will not be sitting.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATES

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have the duty and honour today to present a petition in the House signed by residents of the Shaunavon and Dollard frontier areas in Saskatchewan, all members of the Saskatchewan Wheat Pool who oppose any changes in the statutory Crow rate. And, as in duty bound your petitioners ever pray.

MR. ALTHOUSE—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, it is my honour to present a petition from residents of the town of Semans in Saskatchewan, who exercise their right to present a petition to the House which reads: "Whoever wants to test the Cruise missile should test it in their own country, not in Canada. We call on the Government to refuse to test the Cruise missile".

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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. 4,621 and 4,841.

[*Text*]

EXPORT DEVELOPMENT CORPORATION

Question No. 4,621—**Mr. Stewart:**

1. Did Lavalin International Incorporated make application to the Export Development Corporation for financial guarantees or credit insurance in connection with (a) four construction projects in Algeria (b) the construction of a sour gas plant in the Astrakhan region of the USSR?

2. Is (a) Algeria (b) the USSR eligible for credit from the Corporation and, if so, what would be the total dollar amount of credit that each would be eligible for?

3. What interest rates does the Corporation apply to credit loans from foreign buyers in such instances and do standard Canadian bank interest rates apply?

Hon. Gerald Regan (Minister of State (International Trade)): Export Development Corporation states that:

1. (a) and (b) As a matter of general policy the Corporation does not disclose where applications are made to the Corporation for financial guarantees or credits insurance, information on transactions such as that which is of the subject of the present request. In view of the intense competition that prevails among countries in foreign trade and because information on bids, participation or negotiations, given at the application stage by companies to EDC in confidence, would assist an exporter's competitors both foreign and domestic, the Corporation, to respect that confidence, refrains from even indicating that it has been approached for financial guarantees or credits insurance in a transaction.

2. (a) and (b) In principle Algeria and the USSR are eligible for export credits financing from the Corporation to facilitate the sale of Canadian goods and services only. Such credits are available in support of Canadian exporters on a case-by-case basis after giving consideration to certain criteria applied by EDC to each transaction such as: the creditworthiness of the foreign borrower and country; the nature and extent of the security offered; the financial and economic soundness of the project, the financial justification for extended credit terms; the level of Canadian material and labour content; the industrial benefits to Canada; and the expectation

of future markets for Canadian exports in the geographic area concerned.

3. Loans to foreign borrowers are at interst rates established in competition with Export Credit Agencies in other countries and are generally below commercial rates.

ATLANTIC PROVINCES HIGHWAY STRENGTHENING AGREEMENT

Question No. 4,841—**Mr. Howie:**

What was the (a) Government contribution (b) total cost of construction under the Atlantic Provinces Highway Strengthening Agreement with reference to the Geary-Oromocto-Lincoln-Fredericton Bypass, including bridges and overpasses?

Hon. Jean-Luc Pepin (Minister of Transport): Total expenditures and federal Government contribution to the Geary-Oromocto-Lincoln-Fredericton By-pass, including bridges and overpasses under the Canada/New Brunswick Primary Highway Strengthening/Improvement Agreement (Phase I): (a) $ 8,479,244.80; (b) $16,958,489.60.

[*English*]

Mr. Smith: I would ask, Madam Speaker, that the remaining questions be allowed to stand.

[*Translation*]

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

[*English*]

Mr. McKenzie: Madam Speaker, I rise on a point of order. I would like to ask the Parliamentary Secretary about a question I placed on the Order Paper in November of 1981 which reads as follows:

Did the (a) Minister of Supply and Services (b) Minister of Industry, Trade and Commerce (c) Minister of Indian Affairs and Northern Development take a JetStar flight to Winnipeg for the official opening of General Aluminum Forgings Incorporated on October 30, 1981 and, if so, in each case, other than the Minister and the aircraft crew, who was on the flight?

I find it to be very strange that the question has not been answered, because Mr. Al Holman of the CBC requested manifest information on Liberal Cabinet Ministers' misuse of the JetStar flights and, in particular, with regard to the Minister of State for International Trade, who was flying his mother-in-law around the country. Mr. Holman requested this information in October of 1982, and he received the information in May of 1983.

I would like the Parliamentary Secretary to explain to me or inquire from the Minister of Transport (Mr. Pepin) why this double standard is being applied by the Government. Members of Parliament have placed questions on the Order Paper which the Government refuses to answer, but all members of the press have to do is phone up and ask for information on the misuse of these JetStars and they receive the information.

Mr. Nielsen: Freedom of information.

Mr. McKenzie: Will the Parliamentary Secretary explain to me why my question, which dates back to 1981, is not being answered?

Mr. Nielsen: Damn good point.

Mr. Smith: Madam Speaker, I am unable to give the Hon. Member an explanation, and I think his point is well taken. I do not know why this information has not been provided to me. I will again make inquiries. I think there has been enough time to come up with the answers.

Mr. Stevens: I rise on a point of order. Madam Speaker, along the same theme, and in view of the assurance of the Minister of Transport (Mr. Pepin) that any MP who wants to receive details with respect to ministerial travel on Government planes will be provided with such detail, I would point out to the Parliamentary Secretary that on January 29, 1981 I asked two very simple questions, the first being: "What was the total cost of the Prime Minister's December 1980 to January 1981 world tour?" Second, I asked: "What percentage of the total cost of the trip will be paid by the Canadian taxpayer?"

Madam Speaker, you will note that I did not even ask who the Prime Minister (Mr. Trudeau) took along as guests on the trip. I just asked about the total cost and how much the Canadian public would be called upon to pay. Can the Parliamentary Secretary explain to the House why, almost two and one half years after the event, we are still unable to receive those simple figures?

Mr. Smith: Madam Speaker, I am unable to offer an explanation in this case either, although I do know that in this particular case a number of departments are involved and that the answer to the question is, in fact, more complicated. However, in any event I will make further inquiries to see if I can expedite an answer.

Mr. Stevens: Madam Speaker, again I would direct the Parliamentary Secretary's attention to question No. 3,216, asked by myself on October 23, 1981. It simply asked: "Did the Prime Minister travel to New York in March, 1981 and, if so, what was the total cost of the trip and what percentage will be paid by the taxpayer?" Again. in question No. 3,217 on October 23 I asked: "Did the Prime Minister travel to Algeria in May, 1981 and, if so, what was the total cost of the trip and what percentage will be paid by the taxpayer?"

Can the Parliamentary Secretary tell me why we are still not furnished with answers to those two questions? Surely he cannot keep saying that more than one Department is involved.

Mr. Smith: Madam Speaker, the reason the answer has not been tabled is that I have not been provided with it. However, I will, of course, as always, be delighted to look into this matter on behalf of the Hon. Member and see what I can do to expedite an answer.

Mr. Stevens: A point of order.

The Acting Speaker (Mr. Blaker): I recognize the Hon. Member for Wellington-Dufferin-Simcoe on a point of order.

Mr. Beatty: I rise on the same point of order, Mr. Speaker. I would like to draw the Parliamentary Secretary's attention to question No. 2,670 which stands in my name, which was placed on the Order Paper on June 23, 1981 asking about Cabinet Ministers and the use they have made of Government aircraft. Can the Parliamentary Secretary tell the House why that question is yet to be answered almost two years after the day? Will he also give us an answer with regard to question No. 2,673, also put on the Order Paper on June 23, 1981, asking on what occasions Cabinet Ministers employed or otherwise used the services of professional speech writers. Why could he not have answered by now?

• (1510)

Mr. Smith: Mr. Speaker, the answer again is that I have not been provided with the answer by the appropriate Ministers. I will certainly make inquiries. I will be happy to see what I can do to expedite the forthcoming answers.

Mr. Stevens: Mr. Speaker, if I could continue my line of questioning to the Parliamentary Secretary, I would point out to him that question No. 3,218 asked by myself on October 23, 1981, asked if the Prime Minister travelled to Washington, D.C. in July, 1981 and, if so, what was the total cost of the trip and what percentage will be paid by the taxpayers.

Question No. 3,219, also asked on October 23, 1981, deals with another almost world jaunt by the Prime Minister to Australia, Korea, the Philippines and Fiji in September and October of 1981. That question has not been answered.

Again, there is another trip to Mexico inquired about in question No. 3,220. Could the Parliamentary Secretary indicate why those three questions are so tough? Who really has the ultimate responsibility to report back to the House with answers? You are handling this almost as poorly as Canadair itself.

Mr. Smith: Mr. Speaker, I will be happy to look into those matters on behalf of the Hon. Member. I am not in a position to advise him as to the exact status of the preparation of the answers to those questions.

However, I would totally reject the suggestion that these are jaunts. They are official working visits on behalf of the country wherein the Prime Minister represents all of us. He does a very good job and it is money well spent.

Mr. Beatty: Mr. Speaker, I think what this calls into question is the whole process that is followed here. I already raised a point of order some weeks ago with respect to question No. 2,672 which was put on the Order Paper on June 23, 1981, asking about public opinion surveys commissioned by the Government since the last election. The Parliamentary Secretary undertook then, as he is undertaking today, to look into our representation.

What does he do about this? Does he not do anything? Is there any point to our raising questions with him that have not been answered for years? Does he not feel that it is his responsibility not simply to wait for some initiative by the bureaucrats but, as Parliamentary Secretary, to start going through the Order Paper and calling up these people to ask when we will get answers to these questions?

No other parliamentary system in the world with this sort of dilatory behaviour on the part of the Public Service and Government would be tolerated in terms of withholding information from Parliament. Does he think that he is doing his job if he does not follow up on these unanswered questions after years?

Mr. Smith: Mr. Speaker, I do not believe there is any other parliamentary system in the world that spends as much money in the preparation of answers to Parliament.

Mr. Beatty: Storing them.

Mr. Smith: I might say that as of today the Government has answered 4,126 questions this session. That amounts to 83.1 per cent of all questions put on the Order Paper this session. Some of them have been lengthy responses to questions tabled by the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). I think one response a few days ago was about two or three inches thick.

Any suggestion that serious efforts are not being made to answer these questions is, of course, quite inaccurate. I want to assure the Hon. Member, however, that I will make representations to the Ministers involved, as I always do. Upon receiving a reply it will be tabled in the House.

The Acting Speaker (Mr. Blaker): Shall all remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Acting Speaker (Mr. Blaker): Shall all notices of motions be allowed to stand?

Some Hon. Members: Agreed.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

The Acting Speaker (Mr. Blaker): Shall all orders listed under Private Members' Notices of Motions preceding order No. 81 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

SCIENCE AND TECHNOLOGY

SUGGESTED ESTABLISHMENT OF SPECIAL COMMITTEE TO STUDY IMPACT OF TECHNOLOGICAL CHANGE

Mr. Lorne Nystrom (Yorkton-Melville) moved:

That a Special Committee on the Social and Economic Impact of Technological Change be established which would have the mandate to chart a direction and to recommend policies to respond to the revolutionary impact of technological change.

He said: Mr. Speaker, the motion which I put on the Order Paper and which you just read states that we should have a special committee on the social and economic impact of technological change which would have the mandate to chart a direction and to recommend policies to respond to the revolutionary impact of technological change in our society. I hope that we can dispose of this motion today and that it will not be talked out. I hope all three Parties in the House will agree to establish such a committee.

I believe there is a feeling in the country that this should be done. We are in the midst of a very exciting era of transformation to the information society. I have heard spokespeople from the Conservative Party and the Liberal Party say that such a committee should be welcomed and established. The President of the Science Council of Canada, Dr. Stewart Smith, has said many times in the past that there should be such a committee. Other science reports have recommended such a committee to look at the social and economic impact of technological change.

This afternoon I want very briefly to outline a few reasons why I think this should be done. First, I believe it is obvious that we are in a society in transition whether we like it or not. We are undergoing a tremendous revolution from the old industrial age into the information society whether we like it or not. Since this transformation is taking place now, it is important that we in Canada be part of this new society. It is very important that Canadians make sure we introduce this new society in terms of human values, objectives and the moral values that benefit all Canadians.

There are a number of factors which I believe should be studied to explain why we should establish this committee. First, Parliament is the highest court in the land. I believe Parliament should provide more leadership in advanced technology. We must be implicated in the production of advanced technical goods in Canada to a much greater extent than we are today. If one looks at the many reports, one can see that we are lagging behind most other industrial states in the world. In fact, the Science Council said a month ago that we are about five years behind most small European countries in terms of the production of high-tech goods and commodities. We had a deficit of some $8 billion in high-tech in this country last year. That deficit is growing very rapidly every month. In fact, by the year 1990, according to some spokesman in the computer industry, our deficit in computers alone will be approximately $10 million a year. This deficit will exist in a society in which very soon every child in every classroom in this country will have a computer on his or her desk. In a few years 75 per cent or more of the jobs in our society will be connected with the use of a computer. Yet we do not have a computer industry in Canada of which we can be proud. This is an area that the committee could look into.

Second, as I said previously, we must plan the introduction of this new society and technology in accordance with human goals and objectives. This committee could look at a number of areas where this is very important to Canada in terms of production and how it implicates our people. We can first look at the impact of world-wide technological change on cost competitiveness in Canada and abroad of our manufacturing sector. There is much unemployment in Canada. There is a tremendous deficit of approximately $21 billion in manufacturing trade.

Let us look at the economies of Britain, France, Germany, Japan, the Scandinavian countries and the United States. We find that we as Canadians are lagging farther and farther behind most of these countries' manufacturing sectors. We also notice that advanced technology is having a tremendous impact in these areas as well.

• (1520)

A couple of days ago I had a chance to tour a factory that produces frames for cars in southern Ontario. I was told that around five years ago there were approximately 3,000 people working in this factory. Today there are about 1,200 working in the factory and the factory is more productive now than it was five years ago, despite the fact that nearly two-thirds of the jobs have gone because of automation and the introduction of robotics.

We have to take a look at whether or not our manufacturing is going to be competitive in terms of preserving what jobs we can, in terms of exporting what we can and in trying to supply the domestic market in the age of robotics and fully automated factories.

I think this kind of committee could look at the impact of technological change on jobs in every sector of the Canadian economy. What are we doing about retraining? What are we doing about relocation for our working people? How do our efforts compare to those in other countries? I have already mentioned the impact on jobs in the existing or so-called mature industries. I want to say a word now about retraining and relocation.

We are lagging far, far behind almost every other industrialized country in the world in terms of retraining our people and preparing our young people for the information society. Japan, for example, has about five times the population of Canada, yet the Japanese have about 40 times as many young people in electrical engineering schools as we have in Canada. Is it any wonder the Japanese are leading the world in electronic goods, microelectronics and computers when they put such emphasis on retraining, the retraining of the young as well as the middle-aged and older worker?

The impact on jobs is there. I heard a researcher speak at a convention in Chicago last September. This gentleman was director of research for the UAW. He said that by the year 2000 around 80 per cent of the jobs that existed in the auto industry in the United States in the last 1970s will have disappeared. We have to make sure that we retrain those workers, that we have some alternative for them because they have to provide incomes for themselves and their families. In many ways it is like the great revolution in technology and agriculture a number of years ago.

When my father was growing up in Saskatchewan he used to have great threshing crews in the days before the combine. There would be 20 to 25 members of the threshing crew hauling the sheaves, throwing them into the threshing machine and hauling away the grain. Today that job is done by one person with a modern combine. Those farms are now more productive than they were 40 years or 45 years ago. We cannot turn back the clock to the days of the threshing crews and the oxcart. We have to make sure the transition into this new society is one that ensures people are retrained and have a job.

Third is the whole area of labour-management relations and the question of who should control the introduction of new technology. Can we continue with existing management prerogatives regarding production and planning functions? Has the federal Government a leadership role to play? Has this Parliament a leadership role to play? I suggest we must look very carefully at having the workers in the plants, the consumers, the farmers, and everyone affected more involved in the decision-making about the introduction of new technology and the introduction of technological change.

I think we should look at the whole question of democracy to make sure that ordinary people have a say in the economic destiny of this country and their own lives. This should not be in the hands of just a few people holding the stocks or the shares, or the management of a company having the whole say over economic destiny and the introduction of technological change.

The fourth area is the whole question of Canadian ownership. This is something we should look at very seriously as a Parliament. There is the question of public intervention or public investment in high technology. The economic transition to the information society is characterized in most other nations by increased public investment, by increased public participation in terms of the direction of these industries.

We have to ask ourselves in comparison to others—the Germans, the French, the Japanese, or whomever—whether Canada has an adequate investment strategy. Does Canada have an adequate strategy in terms of making sure that high technolgy is Canadian, that it serves Canadian purposes, that it provides Canadian jobs, that it is developed quickly enough that we will have an industry here to supply not only Canadian needs but the export market for many people around the world?

Fifth, this committee can look at occupational health and safety. We have had many complaints about the low level of radiation in many offices. We have had problems dealing with stress on the new production line in the case of VDT operators in many offices and plants across the nation. We have to look at this scenario. We have to ask ourselves about the present health and safety measures in legislation, as to whether or not they are adequate or have to be revised.

Sixth is the question of privacy. Is the privacy of Canadians adequately protected given the profusion of data banks and the extension of information on individual finances, health, medical records and things of that sort? The whole question of privacy in the information society will become something that we should look at as legislators in this House.

Seventh is the question of research and development. Historically we have lagged far, far behind most every other industrial state in the world in terms of spending money on research and development. In fact, if we were to take away the foreign-owned industries in Canada or the branch plants, you would find, Mr. Speaker, that our Canadian firms spend roughly as much in Canada on research and development as do the French, the Germans, the Japanese, the Austrians and the Scandinavians. But because our economy is foreign-owned, about 26 per cent compared to 3 per cent in the United States and 1 per cent in Japan, we find that these branch plants of the foreign firms spend virtually nothing at all on research and development. Because of that we are lagging far, far behind in product innovation, modernization, new ideas, jobs for the young people of Canada, in scientific research, technology and development. High technology is a brand-new field for which we should be training our young people in the years ahead.

Eighth is the question of co-ordination of efforts between the federal Government and the provincial Governments vis-à-vis our different procurement policies, how we use the public purse in terms of high technology and economic strategy in Canada. I think, for example, of my own native Province of Saskatchewan where the Government three or four years ago, together with the Saskatchewan Telephone Company, decided to go into fiberoptics. It was decided to transform the telephone system into one based on fiberoptics. The Government used leverage it had with Northern Telecom to get Northern Telecom to establish a plant in Saskatoon to produce fiberoptics. The Government said to Northern Telecom that it could have the contract but it had to establish a plant in the Province and provide jobs for its people.

• (1530)

Once we have a fiberoptics industry established in our Province, we want a plant which will provide world leadership

and have the efficiency and productivity to export fiberoptics and fiberoptic technology around the world. This type of thing could be done by the federal Government and by the Governments of Ontario, Quebec or any other Province, particularly in the field of computers with all schools, hospitals, municipal offices and Crown corporations using computers.

We should use Government procurement policies more to promote Canadian industries in a planned and rational manner instead of buying many of these things abroad. We as Canadians could produce these and provide long-term economic security and job security to Canadians for the rest of this century.

My list is far from complete, but finally—and ninth in terms of the items I have listed this afternoon—this committee could take a look at the human and moral implications of high-tech. It could ensure that its introduction is in accordance with long time accepted human values and objectives. We must ensure that high-tech in Canada is introduced in such a way as to give more freedom and liberation to people, not enslave them to the robot and the computer. We must ensure that the tasks done are the dirty, dull, boring or dangerous jobs, not the more creative ones. We have to ensure that this technology does not make our society a less productive one, a poorer one or an unemployed one. We must ensure that the introduction of new technology makes us more productive, more exciting and wealthier, each and every one of us in the country.

One could say many other things about advanced technology and its importance in the country, but mainly I believe that we need a committee of the House to study the social and economic implications of high technology in Canada. I have listed a number of reasons for that and a number of things at which we should be looking. I call on Hon. Members of all political Parties in the House to come together on this idea and agree to pass this motion and establish such a committee for the fall session of Parliament, so that Canadians through their Members of Parliament will have some input into one of the most exciting and massive transformations in society in many, many years.

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I thank the Hon. Member for Yorkton-Melville (Mr. Nystrom) for bringing this matter to the attention of the House and making us aware of the impact of technological change on our society. I think he gave a very useful list of things about which we as a Government and as a Parliament should be concerned. This afternoon I intend to talk about some of the things the Government is doing and to indicate that indeed we take into account many of the things he mentioned.

I am pleased to take the opportunity this afternoon to outline the Government's efforts to manage the technological change for the benefit of all Canadians. The recently announced technical policy clearly recognized the social dimensions of technology and the need for greater efforts to manage the social impact of technological change. Among the primary national objectives of the policy is our determination to manage the process of technological development to ensure that Canadians are aware of both the opportunities and the problems which might arise.

Our efforts are focused on longer term economic goals which will be achieved through the increased management of technological change. The Government has approved a $10 million fund to be spent over the next two years to encourage business and labour to establish a centre for productivity and employment growth.

The federal Government has set more detailed objectives for itself to support individuals and institutions in responding to the changes, challenges and opportunities posed by technological development. One objective is to ensure that all Canadians are aware of technological change on their lives, which is very important. Another is to anticipate the impact of technological change and to minimize its negative impacts in close consultation with those most likely to be affected, particularly working Canadians whose jobs may be affected. Also we want to provide access to training and educational opportunities that will help individuals take advantage of new opportunities. We have a fear that people will get the impression that there is nothing they can do about the technological revolution and that it will leave them behind. As I said, we have to provide access to these training and educational opportunities so that individuals will take advantage of them rather than fear them.

Another objective is to ensure that individuals in all regions of the nation have similar ranges of opportunity and that all regional economies take advantage of technological opportunities in line with their comparative advantage. The recently announced budget allocated an additional $155 million over the next two years for human resource development programs, to upgrade the skills of Canadian workers and to ease their adaptation to technological change.

A subcommittee on technological development has been formed. As was announced in the recent technology policy statement, the Prime Minister (Mr. Trudeau) has established a special subcommittee of Cabinet, chaired by the Minister of State for Economic Development and Minister of State for Economic Development and Minister of State for Science and Technology (Mr. Johnston), to deal with all matters concerning technological development. Because of their departmental mandates, the Ministers on the subcommittee have the power and resources to influence all matters concerning the implementation and impact of new technologies. The subcommittee provides a vital policy link which will assess the social impact of technological growth and initiate programs to ease the negative aspects of technological change on our social environment.

At the meeting of the Standing Committee on Miscellaneous Estimates, Members of all Parties favoured the idea of establishing some sort of parliamentary committee to look at important science and technology policy issues, including the socioeconomic impact of technological change. This is being considered now, although the concept of a standing committee rather than a special committee is attractive because we are concerned with the effects which will take place over the longer term. This will require continued attention rather than

a short, one-time study. As well, such a parliamentary committee would consider a wider range of issues, such as how technology can be successfully transferred and implemented and how technology development will benefit Canadians in the long term. One of the fears of many people is that there will be displacement of jobs by new technology, that robots will take over and there will be a tremendous loss of jobs. The adoption of new technologies will not sweep away large numbers of jobs in spite of the short-sighted views of alarmists who seem to say that the gains in productivity we are now realizing thanks to the new technologies will somehow be bad for the economy.

• (1540)

A recent study by Informetrica, an Ottawa-based consulting firm, indicates that while the new technologies will result in massive labour-saving effects, productivity increases nevertheless, and the recycling of the income benefits by the consumers, the investors and Governments will generate tremendous offsetting and provide jobs elsewhere in the economy. This study concludes that failure to adapt to the latest technologies would result in the loss of competitiveness for jobs far more serious than the direct displacement effects. In other words, if we are to be competitive in this world of change, technological change, we have to look at what must be done.

It is important to look at technological change and women. The federal Government is particularly concerned about the impact of technological change on women. The recent "Office of the Future" trials in federal Government offices will have special implications for the secretarial and clerical professions. They were conducted with that in mind in order that we would have some idea of what the impact of technological change in the office will be on women.

I recently saw a telephone system developed in Canada which has its own information screen. I can find out from that screen what my appointments are for this month, this week or this day. I do not have to phone my secretary and ask what I will be doing tomorrow at ten o'clock. I do not have to flip through the calendar to find out whether I can do something next week. It could be said that this has an implication for jobs. Does that mean that a secretary will be replaced? It is this kind of information that studies about the office of the future will give us. What is going to happen? What do we have to do? What are the social and economic concerns?

The federal Government is increasingly aware of the importance of encouraging young women to continue their studies in the sciences and mathematics. It is vital for the future economic and social well-being of this country that we encourage women to enter professions, such as engineering and scientific research and development, and to make contributions which will benefit all of us.

What about the changes that we have brought about in some of our federal departments? Let us talk about some of the recent studies on technological change by federal departments. Several federal departments have recently released studies specifically related to the impact of technology on society and the economy. One of these studies is "Employment Impacts of New Technologies" by the Canada Employment and Immigration Advisory Council. The recommendations made in this report are now under consideration by the Minister of Labour (Mr. Caccia). The Social Sciences and Humanities Research Council will spend $700,000 in the current fiscal year on its strategic grants program in the human context of society and technology, a program which promotes research and research training relating to the interaction of science and society.

The Hon. Member who spoke previously to me made some very important points with regard to the fact that it is time we started looking seriously at the possible impacts, rather than just going to sleep thinking that everything will turn out all right in spite of the fact that we are afraid. It is important that we begin thinking about the interaction of science in society. We have had the industrial revolution. We are now into the biomedical, biotechnology revolution, a whole new revolution. We have had trouble adapting to all these kinds of changes throughout our lifetime. Surely it is time we learned that as well as making use of these technologies we have to start thinking about the kind of impact they are going to have on people. If the new technologies do not benefit people, we have to ask seriously whether it is worth while having anything to do with it.

It is very important to think about public awareness. Scientists have to take the public into their confidence and try to explain as simply as they can how the technology works, why it works and who it will work for. We are entering a technological era when most career and day to day activities directly involve working with, understanding and living comfortably with science, mathematics and technology. That is important. A growing number of personal, public and professional decisions require awareness and familiarity with the activities, principles and methods of science and technology. We have to face that. The federal Government has established a $1.5 million fund to promote public awareness and understanding of science and technology issues and their impact on society.

As the Minister of State for Science and Technology noted in his statement of May 3 before the House of Commons on a technology policy for Canada, the federal Government will be sponsoring a "Canada Tomorrow" conference in the fall. The purpose of this conference will be to bring together in one forum the issues related to the impact of technology and technological change, not only on our economic environment but also on our social environment. Dialogue and discussion of this kind will promote a better understanding on the part of all Canadians of the forces which are currently shaping our lives.

Mr. Roger Simmons (Burin-St. George's): Mr. Speaker—

Mr. Nystrom: En français!

Mr. Simmons: My good friend for Yorkton-Melville (Mr. Nystrom)—

[*Translation*]

Mr. Nystrom: In French, in French!

Mr. Simmons: —is urging me to speak in French. I would rather speak in English now since my notes are in English. Besides, it is a subject on which I prefer to comment in English.

[*English*]

For his benefit, but especially for mine, I will stick to English. I had not realized the demand for my French was so great or I would have brought some French notes for the occasion. It is a subject so important that one would not want to ad lib on it in any language. For that reason, I say to my good friend from Winnipeg-Birds Hill (Mr. Blaikie) that I shall rely on the English notes before me.

The notes inform me that the gentleman from Yorkton-Melville has put down a motion today that there be another special committee on the social and economic impact of technological change. He is for the establishment of that committee. I suppose it would be wrong of me to say I would be against such a committee, except that I do not see the need for it, given the present situation.

• (1550)

I am referring in particular to the policy that my good friend, the Parliamentary Secretary to the Minister of National Health and Welfare and the Hon. Member for Guelph (Mr. Schroder), referred to a few moments ago. Just a month ago, on May 3, 1983, the Government introduced in the House a technology program for Canada. I am sure my friend, the Hon. Member for Yorkton-Melville, has seen the policy, has read and understood it and no doubt subscribes to the main tenets of that policy. The policy, like the Hon. Member's motion, is like motherhood. Who can be against the kinds of admirable things that have been advanced in the policy which the Government has now adopted and made public?

I may say, Mr. Speaker, that the policy is one result of a very concerted effort made by the Government at the Cabinet level, an effort which flowed from an appointment by the Prime Minister (Mr. Trudeau) of a special subcommittee of Cabinet on technology development. That subcomittee did its job and brought forward the makings of a technology policy. I would like to take a moment to bring to the attention of the House the broad objectives which are embodied in that technology policy, as follows:

> The first objective of the technology policy is to strengthen the Canadian economy through the creation, application and diffusion of state-of-the-art technologies.
>
> Second, we intend to manage the process of technological development so that Canadians are aware of both the opportunities and the problems that might arise . . .
>
> Third, we must ensure that the benefits of technology development are shared equitably among all Canadians in every region.
>
> And last . . . we must encourage a social climate that places a premium on scientific and technological excellence, curiosity and innovation.

I submit to the Hon. Member for Yorkton-Melville that these four objectives are the very objectives that he would seek to achieve in his resolution. I say to him and to the House that the Government, as is sometimes the case, is ahead of him. The Hon. Member is known to be a forward thinking individual who has spent a long time in the House and has served his constituents and the House well, but I must say that on this particular issue the Government has at least caught up to him and is perhaps slightly ahead of him in that the course that he would have the committee chart has already been charted by the Government. The evidence for that is the policy statement made public by the Minister of State for Economic Development and Minister of State for Science and Technology (Mr. Johnston) a month ago, on May 3.

I am sure that the Hon. Member for Yorkton-Melville has seen that policy statement with its accompanying documents that deal with the Government's support for technology development and outline in detail the various aspects of the policy, including the "Canada Tomorrow" conference which my friend the Hon. Member for Guelph made reference to, a conference which the Government will sponsor a few months from now in the fall of this year.

Mr. Nystrom: Mr. Speaker, I rise on a point of order. I wonder if the Hon. Member would entertain a serious question.

Mr. Simmons: By all means, Mr. Speaker.

Mr. Nystrom: Mr. Speaker, I have followed closely and undertand very well all the points the Hon. Member is making and I am quite aware of what the Government is doing. I would like to ask the Hon. Member whether or not he would agree to a committee so that those of us who are Parliamentarians but are not in Cabinet, including himself, could have some input into these very, very important questions that we as a nation must address. I wonder if the Hon. Member could address that question. Why should we not, as Members of Parliament, have some input? After all, this is a democratic country and I think that my suggestion is nothing more than an extension of parliamentary democracy.

Mr. Simmons: Mr. Speaker, I thank the Hon. Member for his question. I submit to him that Members have had a fair amount of input. I hope that the hon. gentleman is not suggesting that during the various debates in which he has participated in the House he has not used the occasion to inform the House of his views on this particular subject. While he is not a member of Cabinet and while I am not a member of Cabinet, I understand that the Cabinet subcommittee took full cognizance of the views that had been expressed in this Chamber and elsewhere.

When I say elsewhere, I include in particular a reference to another task force which has just recently concluded its work, the Task Force on Employment Opportunities in the Eighties. Part of that task force report deals specifically with the issues that we are discussing today. That task force operated under a mandate from the House, was appointed by the House and had representatives from all Parties of the House, including representations form the New Democratic Party of which my friend, the Hon. Member for Yorkton-Melville, is a member. In response to his question, I must say to the Hon. Member that I do not believe there has been any lack of input by

Members of the House, particularly through the task force but in other ways as well, and for that reason I see no real need to adopt the Hon. Member's suggestion.

I would also say to the Hon. Member that if this were only an academic exercise and something that could take a number of months or years to accomplish, I would support his resolution for the creation of a special committee on the subject. The fact is that at this point in time it is my view that we have not yet taken full advantage of the economic opportunities and job opportunities which high technology has to offer the country. I commend Cabinet for having focused on the issue and having made, so expeditiously, a decision which allows that policy to be formulated and to become public, as it did on May 3. I would invite the Hon. Member for Yorkton-Melville not to pursue a course of action, however much it resembles motherhood on its surface, that would have the effect of delaying the implementation of a very good policy.

I would be remiss if at this time I did not note the occasion of the occupancy of the chair by my good friend, the Hon. Member for Bow River (Mr. Taylor), who performs in this capacity extremely well, as he does in all others. I hope he stays there a long time.

It is true, Mr. Speaker, that we have had to deal with the issue of radical changes in employment patterns in the past and we have coped with it. We expect that we will have to deal with this issue in the future and we will cope with it. We will cope with it again just as long as we face the issue directly and continue to devise intelligent policies to deal with it.

I say that we have dealt with that problem in the past, Mr. Speaker, and I will give you an example of it that involves the field of agriculture. In only 15 years between 1946 and 1961, the number of people employed in agriculture dropped from just over one million to just over 600,000, a drop of almost half a million jobs. Over the same 15-year period, the percentage of employed Canadians who worked in agriculture dipped from 25 per cent to just over 11 per cent. In 1981 that percentage stood at only 4.4 per cent.

This was indeed a wrenching change in employment patterns and one we would have viewed with alarm if we had been able to forecast the disappearance of farm jobs without any clear idea of the opportunities that would emerge as the economy grew and changed. It has always been far easier to identify the jobs at risk than it has been to identify the jobs likely to be created by change. But hundreds of years of experiencing the emergence of new technologies have shown that there is always a parallel and unforeseen set of new opportunities that will emerge to create wealth and jobs.

Before we become too disheartened, Mr. Speaker, it is worth remembering that in the 1970s total employment grew by almost three million. It grew from eight million employed in 1971 to 10.9 million a decade later. Moreover, massive adjustments in the labour force are taking place all the time. The Task Force on Labour-Market Development in the 1980s found that every year one million new jobs are created and three-quarters of a million jobs disappear in the same period.

• (1600)

I should like to return for a moment to my agricultural example. It is clear that we managed transition because we had a strong economy, one that was creating wealth and favouring the growth of capital investment. In turn, that called for a work force adapted to new circumstances. In the 1950s and 1960s the economy was able to provide that growth, and in order to maintain our ability to adapt to new technologies and to changing world patterns, we need a strong economy again.

Regaining that economic strength is the objective toward which the efforts of the Government are targeted. It seems clear that the future will be a highly competitive one. If Canada is to prosper, the Canadian economy must be competitive in terms of cost, quality, technological sophistication and marketing.

The reality is before us; it is inescapable. If we try to hide from the reality of the new product and production technologies, we will slip into an economic backwater. If we refuse to hide our heads in the sand and if we meet the challenge head on with intelligence, I foresee continued growth and social wealth, the wealth of our society as a whole and the emergence of new ways of work and wealth sharing.

Perhaps we should look at this not as a problem but as an opportunity. I am told that in the Chinese language there is one set of symbols for two words. They use a set of symbols to designate on paper the word we know as "problem", but they use the same set of symbols, without rearrangement, to connote "opportunity". I submit that those who see the coming high technology as a problem would do well also to look at it from the perspective of it being an opportunity—indeed, a set of opportunities—for Canadians.

Human beings have always been at their best when facing challenge. Our adaptability has always been our strength. The technology policy that the Government has proposed and the specific initiatives it has announced are actions which will facilitate the transition of our economy and our society to a new world, the shape of which we can only begin to guess. I for one face that new world with some optimism. I repeat the essential point, that job losses are always easy to see and forecast while the new opportunities cannot be nearly as readily predicted. These opportunities will emerge just as long as we continue to put in place the programs and policies that will ensure we are able to seize the advantage in a timely way. No one will argue that the period we face is not one of profound structural change. That change will eliminate jobs; no one would argue with that. My point is that it will also create new jobs.

The choice is an important one, Mr. Speaker, but a fairly simple one—to hide our heads in the sand, to try to freeze everything in time, to fight high technology as some kind of evil monster or, conversely and more positively and certainly more productively and sensibly, to see high technology as a set of opportunities we must latch on to, a new door which opens to create new kinds of job opportunities to replace those which have disappeared because of passing technology. That is the

story of civilization, is it not, Mr. Speaker? Those who oppose would have us go back to an earlier time; they would have us remain nomadic herders.

I would like to hear the views of my good friend to my right, the Hon. Member for Sarnia-Lambton (Mr. Cullen), who indicates that he would like to have a little time to speak on this. I realize that the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) would like to hear some other comments on the subject. My colleague has words of wisdom that the Hon. Member for Winnipeg-Birds Hill has never heard. The Hon. Member for Sarnia-Lambton is a former Minister of a department which was so concerned about these new opportunities that we require that he must take a fair amount of credit for the policies that are now in place. It is the policy of great foresight which this Government has launched, building on the foundation laid by the Hon. Member for Sarnia-Lambton during his period in the ministry. I have pleasure in concluding my remarks so that we may all listen with rapt attention to the wisdom of my colleague.

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, I thank my hon. colleague for his very kind comments about the foresight of earlier Governments. Unfortunately, it did not impress the Prime Minister (Mr. Trudeau) enough to reappoint me to that particular post. Here I am today, in Private Members' Hour, carrying this particular heavy load.

I do not want to make light of the subject that the Hon. Member for Yorkton-Melville (Mr. Nystrom) has introduced because it is one that pricks the conscience of all of us. It is easy to see all the benefits that would accrue as a result of technological change. Governments of all political stripe, both at the provincial and federal level, are doing what they feel is appropriate to see to it that we do not drop into some black hole as far as technology is concerned, but that we remain in the forefront and take advantage of all these marvellous improvements. Many of these are labour-saving operations that can be done better by the improvement in technology, machinery and the intelligence that is applied to the kind of scientific miracle that is taking place around us every day.

When I heard that this motion was coming up for debate today I wondered if it might not be somewhat redundant. I am given to understand by the chairman of the Standing Committee on Labour, Manpower and Immigration that that particular Committee has a reference to study basically the same sort of thing—the impact of technological change, particularly on the work force. If that is the case, it may be that even if all of those who wish to participate in this debate find they will not have the opportunity to do so because of the limited time, the Hon. Member may find that he has gained his victory in any event by highlighting the subject in a motion, only to find that he has been pre-empted by the Committee with the eight or nine points that he made. No doubt he will be making those points again for the consideration of the Committee.

This subject is a matter of serious concern to those of us who are charged with the responsibility of governing. We have to recognize that as a result of technological change jobs will be lost. In the automobile manufacturing industry in particular there are jobs which will never be occupied again because of robotics and other technological changes. But these changes have to be made in the interest of being competitive, particularly in the automobile industry, in the world economy.

• (1610)

As I was listening today to the debate, I happened to glance through the most recent issue of *Maclean's* magazine. I see that the Conservative convention which is taking place at the present time has also become the victim, or the beneficiary, I suppose is more correct, of technological change, in that if the candidates do not keep up with the changes and advancements made since 1976, they feel they will be left in the backwaters somehow. We find, therefore, there are no fewer than 1,000 walkie-talkies at that particular convention. On the last occasion, those who were using walkie-talkies found themselves on the same frequency. One individual indicated it was like listening to ten telephone conversations at the same time.

The powers that be then decided that was inappropriate, that there must be a more effective and efficient way of contacting one another without the Opposition knowing exactly what was being talked about, who was talking and what the various plans were. Therefore, as a result of technology there will be different transmissions. What does that create? It creates for the television people an additional difficulty because they must be concerned about interference. Special casings must be built. So we find as a result of all this modern technology and advancements more jobs are being created at this particular convention and more expertise must be used if candidates for leadership in a political convention are not to be left in the wake of other candidates.

I suppose our prime concern, and I am sure the concern of the Hon. Member for Yorkton-Melville who moved this particular motion, is that it is all well and good to talk about the positive aspects of technological change and, heaven knows, there are many hundreds of thousands of them, but there will be employment fallout, the loss of employment as the result of machines or electronic devices and technological devices taking over and doing work which at one time was performed by ten people. One man or one woman operating one machine can now do that particular amount of work.

This was brought home to me most forcefully as a young man in those days when I was working my way through school. It was quite usual in the area of Sudbury to have young students working underground. Obviously, during the pre-war years there were not sufficient numbers of miners so they were hiring students to do a lot of the "bull-work", if you will. A lot of us were at the business end of a shovel and doing that which was necessary in order to muck out the ore. With technological change there were mucking machines, slushing machines, trains and trams, better drills, and more diamond drilling equipment, to the point that where 10, 15 or 20 people had been employed in a particular drift or shaft construction, much of that work was done, as the result of technological change, by about one-tenth the number.

What also came about as the result of technological change is that there were a lot of people working on new machinery, so

there was a tendency to have accidents. To the credit of the union, it was brought to the attention of management that it was appropriate that they should be concerned about safety first and production second. To their surprise, by proper use of machinery, proper instructions to the employees, adequately trained people, and putting the emphasis on safety, production actually increased. Therefore, it was to the benefit of the workers and management that this particular change was effected. It did have the impact, of course, of doing away with a lot of jobs, but it did save a lot of the "bull-work". It also enabled the management of the mine to move faster, to build larger drifts and shafts, and to do more "slushing" work, as they called at that time. As a consequence they were able to maintain their workers at a pretty comparable level to what it was in pre-war days. With the advancement of machinery they were able to do much more work in open pit mining.

The Acting Speaker (Mr. Corbin): Order, please. Pursuant to Standing Order 24, paragraph (2), it is my duty to interrupt the proceedings.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Corbin): Shall all orders listed under Private Members' Public Bills preceding Order No. 384 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

CRIMINAL CODE

AMENDMENT TO IMPOSE DEATH SENTENCE IN CASES OF FIRST DEGREE MURDER

Mr. Bill Domm (Peterborough) moved that Bill C-584, an Act to amend the Criminal Code (capital punishment), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He Said: Mr. Speaker, we are now at second reading of bill C-584, which is an Act to amend the Criminal Code to reinstate capital punishment for cases of premeditated first degree murder. We are discussing the subject today after a very long and sustained effort on the part of the Official Opposition, the Progressive Conservative Party, to have the serious question of capital punishment referred to committee and to allow a free vote in the House of Commons. I am attempting to satisfy the majority of my constituents who wish the Government to review the possibility of a return to capital punishment for premeditated first degree murder.

On December 15, 1980, as reported on page 5742 of *Hansard*, I asked the Government House Leader to allow one of the many Private Members' Bills dealing with capital punishment to come to a vote. I subsequently introduced this Private Members' Bill, Bill C-584, which received first reading on

May 2, 1980. I hoped then, as I do now, that the Bill would come up for debate during this session of the Thirty-second Parliament. Again, on January 27, 1981, as reported on page 6589 of *Hansard*, I rose under Standing Order 43, asking to refer the subject of capital punishment to the Standing Committee on Justice and Legal Affairs.

On June 11, 1981, the Progressive Conservative Party managed to arrange an Opposition day in which I had the opportunity to present the motion which appears on page 10504 of *Hansard* once again to refer the question of the reintroduction of capital punishment as the penalty for some classes of murder to the Committee on Justice and Legal Affairs. Bill C-584, which has been on the Order Paper for four years, would effectively reimpose the death sentence in cases of first degree murder.

The decision to bring this matter to the attention of the House of Commons is not only representative of an enlightened leadership, but more significantly reaffirms the sense of responsibility towards the electorate which is shared by all Hon. Members of the Progressive Conservative Party.

In a poll conducted in the riding of Peterborough in 1981, 87.2 per cent of persons polled favoured a return to capital punishment for premeditated first degree murder. On a national level in 1982, a poll carried out by the *Ottawa Citizen* revealed that nearly three-quarters of the Canadian population want the death penalty restored and, even more, support a referendum on the question. The surveys accurately reflect the desire of a strong majority of all Members of Parliament to have a free vote on the question of capital punishment in order to fulfil their obligations and responsibilities to their constituents. I hope that this Bill, C-584, an Act to amend the Criminal Code, will be read a second time today and referred to the Standing Committee on Justice and Legal Affairs.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, Bill C-584 is a Bill to bring back capital punishment. I suggest that is a very wrong and mistaken principle and that this is a very wrong and mistaken Bill. We can understand why people want to reinstate capital punishment when there are murderers like Clifford Olson. However, I suggest that the risks are far too great. In addition to Clifford Olson and, far more likely, we have examples like Donald Marshall, who spent 11 years in a penitentiary for a murder he did not commit and for which someone else has since been charged. One of the last people executed in the United Kingdom, where there is a system of criminal justice very much like our own, was executed for a murder which it was subsequently found out he did not commit.

• (1620)

We now have plenty of information that capital punishment does not act as a deterrent in any general or specific way as for police officers. There have been many United Nations studies which have demonstrated this in many countries. We have actually seen the murder rate decline in Canada over a number

of years, after the effective abolition of capital punishment here. I will not suggest that if capital punishment were reintroduced the murder rate would rise again; there are slight fluctuations from year to year. I suspect that there is in fact no relationship in terms of deterrence and the actual murder rate with capital punishment.

The Hon. Member who introduced the Bill spoke of the popularity of capital punishment in the general population. I will concede that a majority of Canadians at the present time would like capital punishment to be reinstated, at least for some purposes. However, I happen to be a sociologist, and a criminologist in fact, and I have done a little bit of work on this subject. In a book that I published: "*The Sociology of Law and Order*", I reported results from a survey in which I not only asked "Would you like to have the penalty of capital punishment?", but, as well, "If so, for what kinds of offences and what kinds of circumstances?" I found that support for capital punishment was highly qualified. People said that they only wanted it for mass murderers, multiple murderers, or cases where there could be no mistake because there were actually eye witnesses, or in situations of child abuse; in other words, extremely rare situations in terms of the crime committed and the witnesses to it, conditions which would almost never obtain.

I believe that when people indicate that they still want punishment, they really want a symbol on the books. They want to demonstrate that murder is really a heinous crime and that capital punishment is the sort of sentence which would be appropriate for it. They do not really want to see executioners back in business.

I understand the need for symbols, but I would like to suggest that this could be a very poor symbol. Symbols could have effects that we do not want. Bringing back capital punishment could give people a false sense of security. It could give the appearance of something being done to give them better protection against violence than, in fact, would be the case.

When we think of capital punishment and murder, we are, of course, focusing on an individual criminal. We have all been raised in terms of personal morality. It is easier to see a wicked person than to think of wickedness and evil in terms of corporations and generalities in institutions. Our stereotype of the criminal is of a wicked-looking deviant, an evil-looking person. If we lock him up and throw away the key or kill this person, we have a sense of security that something is better.

However, murder is in fact very infrequent in Canada. We are not a violent society. People who watch too much American television are left with the impression that there is far more murder than is actually the case, especially elderly people, who are far too often presented on television as being victims of crime. This gives them the impression that they are in great danger when, in fact, they are not. We are much more likely to be killed in a car accident, in a fire or because of bad working conditions. Here the time span is such that people do not realize they are being killed by hazardous conditions at work or where they live. We are much more likely to be killed by the unintended effects of corporate decisions than by premeditated murder. The culprit here is not a wicked person, but, rather, a negligent corporation, or a municipality or provincial or federal Government which licenses, permits, or, in the case of Crown corporations, actively perpetrates bad working conditions, such as pollutants, or low level radioactivity. There are many situations which cause long-term cancers in large numbers of people, such as pollutants in drinking water, in the air, the general conditions around us. There is no evil-looking crook here but the glossy pages of annual reports of corporations and smiling Cabinet Ministers saying that all is well.

[*Translation*]

There is no easy remedy for violence, but I am confident we can at least reduce the rate of violence, if we cannot eliminate it altogether. In fact, crime was worse in the 19th century, but further improvement can be expected only if we tackle the causes of violence.

Violence against women will be reduced as soon as women are respected in our society and accepted as equal partners. Meanwhile, we can improve the investigation procedures used by police in so-called domestic conflicts. We need research and experimentation, and the results of new procedures must be analyzed. Psychologists advise using the principles of negotiation in family conflicts and elsewhere. These procedures can be taught to young people. We should carry out experiments in resolving conflicts in our schools and with young people convicted of violent crimes.

We must seek out the best way of rehabilitating offenders and criminals. Recently, remarkable results were obtained in federal prisons through the use of post-secondary education. And then the Solicitor General dropped this program, which had the best record in the country! I feel this experiment should be continued and extended to other programs, instead of cutting the program.

It is generally agreed that there is a direct relationship between alcoholism and drinking, and the murder rate. However, in our society, the consumption of alcohol is encouraged by the advertising media. Prohibition is impossible without creating a black market, but we should not encourage consumption through advertising.

Hard-core pornography actually encourages violence, especialy towards women and children. Nevertheless, the federal Government has now given licences to pay television companies for broadcasting pornography. I say we should put a stop to hard-core pornography. That would be better than building new prisons for violent criminals. What does the Progressive Conservative Party intend to do about this? They would rather talk about capital punishment for murder instead of preventing murders. Did the Progressive Conservatives support my proposal for introducing measures to control pornography on pay TV? Are they against the causes of violence? No, they are not.

Recently, a Progressive Conservative Member introduced a Private Member's Bill aimed at removing certain firearm control measures. We must have very strict laws to control the possession of firearms. No more firearms, no more violent crimes including murder! It is mostly the Progressive Conservatives who want to bring back capital punishment, but the Liberals are also making false promises with respect to security. The Solicitor General has proposed amendments that will provide for longer incarceration of prisoners considered to be dangerous. He says this is to protect society by preventing violent crime. At least the public will get the impression that the Government is listening and is doing something about violent crime. However, I would like to point that fraud is also a crime. If such measures are to be successful, we must be able to determine which prisoners will continue to live a life of crime and which have been entirely rehabilitated. That is impossible, however. We would like to hope it would be possible, but that is not what reality tells us. It was the fond hope of reformers at the end of the 19th and at the beginning of this century. It was also a fond hope of my own party when it was founded in the thirties.

The Regina Manifesto recommended doing away with the present system of prison yards and prisons and so forth, and introducing a so-called scientific system with experts in psychology and psychiatrists who would treat crime as a disease. We know now that there is no system for the treatment of criminality. We in the New Democratic Party have abandoned these false dreams of science, but the Liberals still have a misguided confidence in the possibility of making scientific predictions on recidivism.

• (1630)

[*English*]

My point finally is that both the Liberals and the Conservatives will hold out false solutions and give false promises to the Canadian public. The Conservatives do so by suggesting that we can have security with capital punishment when there is no evidence that it has ever had this effect in the past or any reason to believe that it will in the future. The Liberals would do so by building more prisons and special handling units and by investing in more hardware. They are both simplistic, hardware solutions—gallows and steel bars—but they will not work. Life is more complicated than that. I am not saying there are no solutions in the sense of measures that would reduce violence. I would encourage experiments at rehabilitation and re-education, conflict resolutions, new methods of policing on the streets and in crime investigation, as well as gun control and measures to reduce alcoholism and drunkenness. Others include early identification of child abuse and re-education of parents, modest experiments with research follow-up to see how successful they are and changes in practice if they are warranted.

Finally, let me note that the rate of violence including murder would be reduced if we build a more decent society, a society in which there is care for those with difficulties, and help so that people will not be driven to desperate measures by unemployment, illness and despair. There is nothing to be gained by holding up false promises. Indeed, we may be lulling people into complacency with false measures and preventing the development of better measures. A bill such as the one before us today will accomplish no good. Let us not attempt to delude the public. Let us be honest about the problems, diligent and careful about seeking better solutions. We must now allow this Bill to pass.

Mr. Roland de Corneille (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, it is to Bill C-584 that I address my remarks. In its simplest terms, this Bill is an attempt to reinstate the death penalty. Clause 2, subclause (2) states:

> Everyone who commits second degree murder is guilty of an indictable offence and shall be sentenced to imprisonment for life.

Subclause (1) states:

> Everyone who commits first degree murder is guilty of an indictable offence and shall be sentence to death.

One can see what kind of lugubrious subject we are dealing by reading the terms of Clause 3 which states in regard to section 597;

> A female person who is sentenced to death may move in arrest of execution on the ground that she is pregnant.

It continues in its humanitarian way:

> Where a motion is made under subsection (1), the court shall direct one or more registered medical practitioners to be sworn to examine the female person together or successively and to determine whether or not she is pregnant.

In other words, we are talking about how we will ascertain whether we will give a stay of execution on the ground that she is pregnant.

It is with deep sorrow and sadness that we find ourselves as legislators having to address the subject of those who have taken the life of another by murder. Certainly murder is the most gruesome and awful crime we can think of because murder is the violation of the most precious and basic human right of all; that is to say, the right to life. It is very hard for us to think that people could reach such a base point that they feel they have to take someone else's life. We talk about human rights. Certainly the most fundamental right of all is the right to life. It is the right to enjoy one's life and live it out.

I have to say that all too often we are only concerned with the subject of what we do with a person we think has committed murder, overlooking the suffering that has been wrought upon those who are relatives of the person killed. We spend a lot of time thinking about what we should do to the offender and perhaps too little time thinking of how we can try to help those who have been bereaved, those who have lost a loved one. All in all, it is a very sad subject.

It surprises me that we so often find ourselves faced with this same debate. We know that in 1976, the year of abolition, there were many debates. The debate raged on for three months. When the final vote on abolition of the death penalty was reached, the leaders of all three Parties agreed that the

Bill should be passed and the death penalty abolished. The subject has been debated ever since.

One has to wonder why this debate is continually recurring. I ask Members and the people of Canada if it is because there is a deterrent when capital punishment is reinstated. Would the death penalty eliminate the murders that take place in Canada? All of the studies that have been made seem to indicate that most murders that occur in Canada are murders within the family.

We know also that the record and the facts show that the rate of homocide in 1975 was 2.77 per 100,000 in the population. In 1976, the year of abolition of the death penalty, the rate dropped to 2.66. In 1977 it rose marginally to 2.72. It fell again in 1978 to 2.62. In 1979 it was 2.5. In 1980, it dropped to 2.1 and in 1981 to 2.5. In other words, ever since capital punishment was abolished, since the death penalty was eliminated, the rate of homicide has been less than it was the year before. The rate was 2.77 per 100,000 of population in 1975 and it has continually been below that figure since. It was at 2.5 in 1981.

Would any reasonable person suggest that if we bring back capital punishment we will deter people from committing murder? All the statistics we have indicate to the contrary. There is no sociological explanation for that. There is no pragmatic evidence that we would be able to lessen the number of murders.

Why would capital punishment be reinstated? Do we want to try to discourage murders or is there another reason that people wish to bring back capital punishment? The pragmatic evidence certainly shows that it cannot be because it is a deterrent. If the obsession of certain Members of the Progressive Conservative Party to constantly bring back the request for capital punishment is not then based on deterrent, it must be based on some other reason. There must be another reason why they want to bring back capital punishment and go back to the olden days, the days of horror.

I suggest that if there is no evidence of deterrent, there must then be a desire for punishment in order to punish or get revenge on someone because they committed a murder. That must be the reason. Certainly it is not because it will reduce the number of murders. The facts indicate the contrary.

I am surprised that anyone would want to give the impression that they were speaking on the basis of moral suasion. Surely they cannot turn to the Scriptures, to religious organizations, or to the facts to support the idea that there should be a return of hanging. This Bill does not even say capital punishment, but leaves to some humanitarian discoveries what should be done and how it should be done. In fact, it prescribes hanging. In any case, where is the moral backing for the idea that we should have a return to capital pune?

• (1640)

The sixth United Nations Congress on the prevention of crime and the treatment of offenders called for all Governments that retained capital punishment to cease employing it. It called upon the General Assembly of the United Nations to promulgate a declaration that would urge its total worldwide abolition, to call on all non-governmental organizations concerned with human rights to make every effort at the national and international level to secure the abolition of capital punishment.

This opinion was submitted by such organizations as Amnesty International, Caritas Internationalis, Commission of the Churches on International Affairs of the World Council of Churches, Friends World Committee for Consultation (Quakers), International Alliance of Women, International Association for Religious Freedom, International Confederation of Free Trade Unions, International Council of Jewish Women, International Federation of Free Journalists, Pax Christi, Pax Romana, World Alliance of Young Men's Christian Associations, World Federation of United Nations Associations, World Jewish Congress, World Muslim Congress, World Student Christian Federation and the World Young Women's Christian Association.

All these world bodies condemned punishment and called for the elimination of capital punishment in every nation throughout the world. Surely, hon. gentlemen cannot suggest that this is some kind of moral cause these bodies are espousing. Nor can that argument be supported in terms of Canadian religious organizations on the suggestion that maybe these others are all communist infiltrated because they are world bodies.

When it comes to Canada, the argument is that maybe these are pinko organizations. But, these are world religious organizations. On the Canadian scene we have a similar endorsement in that the following churches and organizations have also condemned capital punishment and have called for its elimination—

Mr. Darling: What about the people in the churches?

Mr. de Corneille: —the Anglican Church of Canada, the United Church of Canada, the Canadian Catholic Conference, the Central Conference of American Rabbis, the Presbyterian Church in Canada, the Baptist Convention of Ontario and Quebec, the Canadian Unitarian Council, the Lutheran Church in America, the Quaker Society of Friends and the Mennonite Central Committee. They all oppose the death penalty.

Mr. Darling: What about the people in the congregations?

Mr. Fretz: What about the Canadian people?

Mr. Taylor: Don't the Canadian people count?

Mr. de Corneille: I am astounded that these people would try to set forth an idea that simply calls forth some idea of brutal revenge and punishment.

Mr. Taylor: You are talking about 80 per cent of the Canadian people, you know. They do not matter to you.

Mr. de Corneille: They do not wish to hear the truth. They do not wish to be confused by the facts, but the pragmatic

evidence is, as I have tried to show you, Mr. Speaker, that bringing back the death penalty cannot act as a deterrent but acts, if anything, as a stimulus to murder.

Mr. Taylor: It stops them. They will never do it a second or a third time.

Mr. de Corneille: All the evidence indicates that since we have brought in the abolition of capital punishment the rate of homicide has gone down, not up, year after year after year.

Mr. Darling: What about attempted murders? The numbers are way up.

Mr. de Corneille: I have cited those statistics for you, Mr. Speaker. They are official statistics.

I hear a lot of noise from the other side, Mr. Speaker. They have had their chance to present their points of view. They do not need to make this noise. It is my turn to speak. I hope those in the Tory benches will allow me to have my say in a democratic society, something which is hard for them.

Mr. Taylor: Go ahead and mollycoddle.

Mr. de Corneille: There is this objection that has been raised. It is said that there are people in Canada, in terms of statistical who according to polls indicate they would like to see the return of capital punishment.

Some Hon. Members: Right.

Mr. de Corneille: When one phrases the question in different ways, one gets different results. When you ask Canadian people whether they would like to see capital punishment brought back and that we use the rope or whatever, you find that the number of people who want to bring back capital punishment, when confronted by those specifics, drops to less than 40 per cent. When one phrases the wording one way, one gets perhaps a kind of an emotional reaction. When one puts the facts before the Canadian people, one gets another.

If people still say to me, "nevertheless, you are the Member from Eglinton-Lawrence and we think there are more people in your riding who want a return of capital punishment than there are who want to eliminate it," I would have to say to them that I have to use my judgment—

Some Hon. Members: You tell them—

Mr. de Corneille: —as a Member of Parliament. There is still noise from the other side, Mr. Speaker. It is incredible.

The Acting Speaker (Mr. Corbin): Order, please. The parliamentary secretary has the floor.

Mr. de Corneille: I appreciate your bringing order back to the other side, Mr. Speaker. I have to say that I still have to use my judgment.

I want to quote from a speech delivered by Sir Edmund Burke upon his election to the constituency of Bristol in 1774. I address these words to my hon. friends on the other side in the hope that they will take them to heart. This excerpt from Sir Edmund Burke's speech reads:

Certainly, gentlemen, it ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence and the most unreserved communication with his constituents. Their wishes ought to have great weight with him; their opinion high respect; their business unremitted attention. It is his duty—

That is the duty of a Member of Parliament.

—to sacrifice his repose, his pleasures, his satisfactions, to theirs, and, above all, ever, and in all cases, to prefer their interest to his own. But—

And this is a point that Hon. Members on the other side have not taken into account.

—his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you—

The speech continues:

They are a trust from Providence, for the abuse of which he is deeply answerable. Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices it to your opinion—

To deliver an opinion is the right of all men; that of constituents is a weighty and respectable opinion, which a representative ought always to rejoice to hear; and which he ought always most seriously to consider.

The last excerpt reads:

Parliament is not a congress of ambassadors from different and hostile interests; which interests each must maintain, as an agent and advocate, against other agents and advocates; but parliament is a deliberative assembly of one nation, with one interest, that of the whole; where, not local purposes, not local prejudices ought to guide, but the general good, resulting from the general reason of the whole. You choose a member indeed; but when you have chosen him he is not a member from Bristol, but he is a member of parliament.

I suggest it is my duty to look at the statistics and the facts. I have a responsibility if I want to try to reduce the number of murders in this country to make sure that we do not reintroduce capital punishment. Since we have eliminated capital punishment, the number of homicides has gone down. In all conscience as an individual and as a Member of Parliament I must speak out and say that there is no moral reason to bring it back. Every major religious denomination in Canada, indeed throughout the world, whether Christian, Jewish or Muslim, has condemned capital punishment and called for its elimination.

I must use my judgment, and I believe the judgment of my constituents would be the same as mine; with these facts and with the knowledge of the opinions of all moral and religious leaders, I feel that they would not agree with this Bill or want to see it passed.

• (1650)

I would like to commend the speaker who preceded me, although I disassociate myself from her remarks regarding the Liberal Party. I commend her approach when she said it is sad that we constantly have Bills introduced in the House dealing with homicide and how to deal with murderers, instead of dealing with the far greater slaughter throughout this country about which we hear so little from the Official Opposition. All kinds of gruesome things are going on, not only in this country but throughout the world. Let us remember our sins of omission. Millions of people are dying of hunger and starvation, yet all too often we in this country wallow in a great deal of

affluence. Perhaps we should concentrate more on having Private Members' bills introduced, perhaps by Opposition Members, to draw our attention to those problems. Perhaps they would like to bring in more bills which deal with the unnecessary slaughter of so many people on our highways, or the lack of adequate protection of our workers in the workplace. It would be better if we had more bills that dealt with the prevention of violence and murder rather than a constant repetition of the desire to bring about revenge.

Mr. Ron Stewart (Simcoe South): Mr. Speaker, I rise in complete support of Bill C-584. My reasons for this support are very well documented. I would like to indicate to the Hon. Member for Eglinton-Lawrence (Mr. de Corneille) that although I am not a member from Bristol, I am a Member of Parliament and my duty is to convey the wishes of my constituents in an outright manner. It was interesting to listen to the statistics given by the Hon. Member, but he did not give us any statistics on how his constituents think. Did he give the percentages shown by the poll conducted among his constituents?

The previous speaker, the Hon. Member for Broadview-Greenwood (Ms. McDonald), is a so-called expert on criminology and a sociologist. She said that she studied the system completely, but she did not study the wishes of her constituents. We did not hear any statistics from her about what those constituents want.

What we saw today was that same old socialist marriage; the Liberal-NDP coalition. We saw performed here a homicidal marriage of one side of the House to the other. I presented a petition in the House on behalf of my constituents in favour of the return. I have stood here in the House time after time indicating the wishes of my constituents. Approximately 88 per cent of them say, "Please return". I hope the constituents of the previous two speakers took due note of that unholy alliance.

[*Translation*]

Mr. Alain Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I am very pleased to participate in the debate on Bill C-584, particularly since I was not a Member when a historical debate was held on that issue in 1976. I am also very pleased to take part in the debate because I have never had an opportunity to voice my opinion on this very important question. The general public is very much aware of the issue, if only because every day newspapers' headlines relate to odious crimes which make capital punishment the main topic of discussions and conversations.

I think that people do seek such sensational news reports as a forum to debate the pros and cons of the death penalty. In all honesty, I think that we ought to admit that most Canadians are in favour of the return of the death penalty.

Still, a serious study of the matter would show that most if not all Canadians at first react intuitively and emotionally but that basically they are opposed to capital punishment. In my opinion, in 1983 we have a lot more data than was available when the law was changed in 1976, and we can now collate, quantify and interpret statistics which prove beyond the shadow of a doubt that the death penalty is not a deterent. On the contrary, statistics reveal that in recent years, since the death penalty was abolished, the number of qualified murders has declined.

If I may, Mr. Speaker, I should like to review everything connected with this topic. Given the vast amount of publicity related to it, it is very difficult to speak on such an issue without repeating old arguments or referring to certain aspects which have been heard one way or another in practically all discussions and debates.

My intention today is to mention only a few. First of all, as I have just said, it seems to me we should deal with the death penalty itself and ask ourselves whether we ought to devote part of the precious time of the House to this subject at a time when there are so many pressing problems to consider because Canadians are a lot more concerned about them than they are about capital punishment.

First, let us review very briefly what the problem is at the international level and in the Canadian context as a result of the Canadian Parliament's 1976 decision to abolish the death penalty for all Criminal offences. Second, I think it is important to examine the main arguments of capital punishment supporters. Although Hon. Members know that already, perhaps I ought to remind the House that a free vote was held on this question on July 14, 1976 with the results as follows: 130 for and 124 against, so the House abolished the death penalty for all Criminal offences. This vote brought to an end a most animated debate that lasted over three months and in which more than half the Members of Parliament took part. Bill C-84 was therefore in keeping with an abolition process started more than a century before in countries with the same common law system as Canada. The British criminal law was introduced in Canada in 1763, then called the blood code, and required the death penalty for over 200 types of offences, from the simple theft of turnips to being caught in disguise in a forest.

• (1700)

Following in the steps of Great Britain, Canada restricted the application of the death penalty in 1859 and again in 1865, when it was decided that it would be carried out only in cases of murder, treason or rape. In addition, changes were gradually made to Canadian laws dealing with the application of the death penalty, to reflect the reforms brought about in the United States.

A whole series of private bills calling for the abolition of the death penalty were also introduced in Canada between 1914 and 1917, but these bills gave rise only to short debates that were not followed by votes when they were not immediately ruled out of order. After the Second World War, both Canada

and the United Kingdom passed legislation to restrict even more the types of offences punishable by death. After the royal commission responsible for considering the possibility of limiting and amending the statutes on the death penalty tabled its report in 1953, the British Parliament passed in 1957 a piece of legislation entitled the Homicide Act, which differentiated between crimes punishable by death and all the others.

In Canada, a joint parliamentary committee was set up in 1953 to consider various issues, including the death penalty. Following publication in 1956 of that committee's bulky report, a whole series of procedural amendments were passed which granted additional rights to the accused. In fact, a piece of legislation was introduced in 1960 to differentiate between offences punishable by the death penalty and the others, as the British Parliament had done in 1957.

In 1966, a multipartite resolution calling for the abolition of the death penalty was introduced in the House of Commons and was defeated, but one year later, following a free vote, the Government put a moratorium on the death penalty, except for the murder of a police officer or a prison guard. The last executions in Canada took place in December 1962. The five-year moratorium came to an end in 1972 and an act to extend it for another five years was passed by a narrow margin after another free vote in November 1973.

These, Mr. Speaker, were the various legislative steps taken over a rather long period which preceded the discussion and passage of Bill C-84 seven years ago. It is appropriate to note that all parties represented in this House participated actively in some very interesting and positive debates on this issue in 1966, 1967, 1973 and 1976. It should also be pointed out that all the arguments for and against the death penalty invoked today and during every one of those debates are very similar to those raised by the proponents and opponents of the death penalty through the years, and even by the Roman senators more than 2,000 years ago.

This issue should also be placed in its proper context, that is in a more global or internatonal context. While most countries still retain the death penalty at least for certain offences, for some decades, its application has been gradually restricted, not only theoretically, but also in practice, throughout the world.

In fact, the General Assembly of the United Nations passed resolutions in 1971 and 1977 asking all its members to reduce the number of offences punishable by death, which several countries have done in recent years.

Quite recently indeed, in April of 1980, the Parliamentary Assembly of the Council of Europe voted with a very strong majority a resolution and a recommendation in support of abolishing capital punishment in the Council's 21 member countries. According to a report submitted by Amnesty International, the 1977 Nobel Prize winner for Peace, three countries have completely abolished capital punishment last year, and another one has abolished it for crimes committed in peacetime. And, finally, another one has drafted a new constitution which was to come into force in July of 1980 and has abolished capital punishment for crimes committed in peacetime. Also, in 1979 and early 1980, significant attempts to reinstate capital punishment aborted in several countries.

If I am allowed to digress, I would say that each time we go through highly dramatic experiences, I admit that . . . In fact, I am referring of course to what unfortunately we have gone through on two occasions in Montreal penitentiaries, involving wardens. Each time, people see a relationship between capital punishment and what goes on inside penitentiaries. In other terms, the public at large, I do suggest, is often under the false impression that were capital punishment to be reinstated, incidents of that sort would not occur or would be prevented. As for as that aspect is concerned, I would merely refer Hon. Members to Bill C-584, which would provide that anyone sentenced to death could appeal. Under that legislation, there would be automatic appeals. Various sections of the Act provide for a whole series of time periods, whether to appeal, to review the proceedings, some sort of stay of execution.

I would therefore remind those who believe that capital punishment could prevent such tragedies from occurring, that convicts sentenced to capital punishment would still be under the supervision of wardens for relatively long periods of time.

I would therefore ask the following question: Is it not a fact that persons knowing that they have been sentenced to death could in theory and in practice be considered as a lot more dangerous to their fellow inmates than those who still hope to get out, even though their prison terms could be very lengthy ones as compared to someone whose life would be subjected to a specific term, namely the date of his execution?

In my view, that person would be a much greater, a much more serious potential danger for the institutional environment, for those who would have to come into contact with him or her while awaiting execution. This in my view flies in the face of the suggestion that capital punishment could prevent or put an end to tragedies such as the ones we have been through.

And outside Canada there is worldwide experience on the matter. The United Nations Report on the Abolition and Suspension of Capital Punishment which came out in 1962 did conclude that this does not have the immediate effect of significantly increasing the crime rate.

Let us now look at the Canadian experience since capital punishment was abolished in 1976.

• (1710)

[*English*]

Mr. Domm: Mr. Speaker, I rise on a point of order. I cannot let this go without saying that it is obviously a filibuster on the part of Members of the NDP and the Liberal Party. We have only taken five minutes of the 55 minutes allowed for debate in order that we can refer this to the Committee on Justice and Legal Affairs. It is regrettable that Members of those Parties

have gotten together again in order to filibuster any discussion on the subject of—

The Acting Speaker (Mr. Corbin): Order. That is not a point of order. The Hon. Parliamentary Secretary to the Solicitor General of Canada has the floor.

[*Translation*]

Mr. Tardif: Mr. Speaker, this was hardly a point of order—

[*English*]

The Acting Speaker (Mr. Corbin): Order, please. Would Hon. Members resume their seats, please?

Mr. de Corneille: Mr. Speaker, I rise on a point of order. I would like to ask how we can discuss that as a point of order when in fact it has insulted the Members on this side who are debating this subject with all sincerity.

The Acting Speaker (Mr. Corbin): Order. The Chair has ruled that the point raised by the Hon. Member for Peterborough (Mr. Domm) was not a point of order, and the Chair invites the Parliamentary Secretary to the Solicitor General of Canada to continue his remarks.

[*Translation*]

Mr. Tardif: Thank you, Mr. Speaker. I must remind my hon. friends of the Opposition that if they only spend five minutes on the subject, it is likely because they have nothing to say. For that matter, in case they are interested, I wonder why there are only six of them present in the House now.

With your permission, Mr. Speaker, I shall continue my remarks.

As I was saying, capital punishment was abolished in 1976 in this country, which means that we can look back to seven years of statistical data. What, then, is the current murder rate? If Canada had witnessed a disproportionate increase in the murder rate since the abolition of capital punishment, I could understand why some members want one more debate on this issue, but what are really the facts? I refer Hon. Members to "*Murder Statistics*", a booklet published by Statistics Canada in August 1979. Tables I and II of this document provide full detailed information on the number of murders committed over the last few years. Table I deals with murder incidents, while Table II deals with individual murder cases. The incidents refer to the circumstances under which a murder was committed, irrespective of the number of the victims. On the other hand, individual murder cases found in Table II refer to the total number of murder victims per year. Well, in each case, the murder rate in 1978 was the lowest since 1974, that is, two years before capital punishment was abolished. I should add, for the information of my hon. friends opposite, that the 1978 data are the latest available. Now, let us have a look at these data.

The Acting Speaker (Mr. Corbin): Order! I regret but I have to inform the Hon. Member that the time allotted to him has expired.

Mr. Pierre Gimaïel (Lac-Saint-Jean): Mr. Speaker, I simply wish to take a few minutes to point out to what extent the issue now before us may appear to be a fundamental choice for society.

An Hon. Member: The question!

Mr. Gimaïel: Of course, when I say a fundamental choice, I mean that the fact that a society may or may not have capital punishment is a measure of its progressiveness.

An Hon. Member: Filibuster!

Mr. Gimaïel: The Hon. Members who spoke before me, Mr. Speaker, have shown beyond a reasonable doubt that there has been a steady progress, not only in Canada but in almost all of the democratic societies of the world, and this goes to show how much enlightenment is part of our everyday life.

I listened earlier to the Hon. Member for Simcoe-South (Mr. Stewart), who would have capital punishment reinstated. We are reminded that the same Hon. Member had suggested earlier that the Durham Report should have been implemented in Canada, in other words that there should be one official language in Canada.

[*English*]

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member who was given the floor to make a speech should not be interrupted.

[*Translation*]

Mr. Gimaïel: Thank you, Mr. Speaker.

As I was saying, we are faced with the same kind of bigotry, because indeed there are prople in our society who like to promote confrontation. They will not face the facts. We have two languages in this country, because some of the people have French as their mother tongue while others have English. If there are criminals in our society, it is because of deficiencies in society. Why should society resort to the same tools as were used by murderers to wreak vengeance on them? What benefit can society derive from seeking vengeance, Mr. Speaker? None at all, and if there is one thing—

The Acting Speaker (Mr. Corbin): Order, please. Pursuant to Standing Order 24(2), it is my duty to interrupt the proceedings.

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR NORTHWEST TERRITORIES

The Acting Speaker (Mr. Corbin): Order. It is my duty to inform the House that an objection signed by the Hon. Members for Timiskaming (Mr. MacDougall), Western Arctic (Mr. Nickerson), Peterborough (Mr. Domm), Hastings-Frontenac-Lennox and Addington (Mr. Vankoughnet), Haldimand-Norfolk (Mr. Bradley), Surrey-White Rock-North Delta (Mr. Friesen), Parry Sound-Muskoka (Mr. Darling), Simcoe North (Mr. Lewis), Esquimalt-Saanich (Mr. Munro) and Halifax West (Mr. Crosby) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E2 RSC 1970, to the report of the Electoral Boundaries Commission for the Northwest Territories. If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. Shall all orders listed under Private Members' Public Bills preceding Order No. 246 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

[*English*]

CANADA EVIDENCE ACT

INCRIMINATING STATEMENTS

Mr. David Orlikow (Winnipeg North) moved that Bill C-446, an Act to amend the Canada Evidence Act (incriminating statements), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, the purpose of my Bill, as you have indicated, is to amend the Canada Evidence Act in respect to incriminating statements. It is my belief that a fundamental principle of our system of justice is that accused person are deemed to be innocent until they have been proven guilty. Yet, if and when these people are questioned or charged by the police without being giving the opportunity to be represented and protected by counsel they can in fact make admissions or statements and answer questions in ways which would very seriously prejudice their rights.

I am sure it is known by many Members of Parliament who receive reports from their constituents, and it is certainly known by lawyers, especially criminal lawyers, that frequently people who are being held by the police are not permitted to contact their lawyers when they ask for that right, or are not permitted to do so until after they have been questioned for as long as the police wish. There are many examples of that, Mr. Speaker.

I would remind Hon. Members of the Stephen Truscott case. This man was questioned by the police for long periods of time without counsel and was later charged and convicted of the most serious of offenses in our society, the offense of murder, without having had the opportunity, which I submit he should have had to have counsel present to make sure he was being questioned in a correct and proper way.

The Canadian Civil Liberties Association conducted surveys in the 1970s to find out what experiences arrested people had experienced in this regard. They conducted several hundred interviews and found that of those who requested access to the telephone a minority reported that such requests were granted immediately. In the greater number of cases, access to the telephone was denied outright or delayed until after questioning took place.

• (1720)

This survey only dealt with people who were later charged. Many of the people who were questioned and not given the right to get counsel were never charged. Even for those who were charged, the number permitted to get in touch with a lawyer was quite small.

I submit that the law should affirmatively oblige the police—and this is not the case now—as soon as practicable to advise an arrested person of his right to counsel and to make telephones available for such purpose. Some people will say that the law gives rights so that they cannot be involved in self-incrimination, and ask if this right does not also represent protection against police harassment. The answer is no. Many arrested people do not know they have such a right and many who do know lack the courage to exercise it. I refer to young people, native people, immigrants and particularly those who are not familiar with or comfortable in either of the official languages.

To repeat, I submit that the law should oblige the police, and it does not now do so, as soon as is practicable to advise an arrested person or people being questioned by the police of their right to counsel, and to make telephones available to such people. Until this is done the police should be barred from conducting interrogations until the arrested person has consulted with counsel or, having been advised of his right to do so, has waived the opportunity. To enforce such a provision, all of the information obtained by ignoring such measures should be inadmissible as evidence in court. What I propose is not something very revolutionary as I will try to indicate. It is the practice in Scotland and in the United States.

Let me list some of the major aspects of the Bill, Mr. Speaker. First of all, statements made by the accused must be made voluntarily to be admissible as evidence. Second, no statement is admissible unless its author is warned that he is not obliged to make a statement or that if he voluntarily chooses to make a statement it will be taken down in writing and can be used as evidence. Third, an accused is entitled to counsel and if he cannot afford counsel, one will be assigned.

Fourth, the accused shall have the opportunity to contact counsel or advise the local legal aid officials. Fifth, no interrogation shall take place after the person has requested counsel until the person has reasonable time to confer with counsel. Six, every person has the right to the presence of counsel during the interrogation. And seven, no statement made without the presence of counsel is admissible unless the person knowingly and voluntarily waives his right to counsel.

Such a clause does not exist in the Bill which is now before the Senate to amend the Canada Evidence Act, Bill S-33. Some protection for the person accused or questioned about a crime might be available in the Charter of Rights, Section 24(2), which deals with the exclusion of evidence bringing the administration of justice into disrepute. The problem with this is that the Section has not yet been tested. There is some indication that the Charter is being interpreted in a relatively conservative manner, particularly in the Province of Ontario. It will be some time before test cases indicate the strength with which the Charter will be interpreted.

To put the measure I propose into a statute makes it more all-encompassing and offers more positive protection—a more readily accessible protection—and puts the onus on the state to inform the person of his rights. It is a direct and positive action.

I said earlier that I am not suggesting something that is new and untried. In Scotland there is a total ban on custodial interrogation by the police and the restriction is backed by an exclusionary rule for any statements obtained in violation of it. Despite that, in 1971 Scotland had a crime clearance rate of 38.2 per cent, which compares very favourably with Canada which had a crime clearance rate of 35.5 per cent in the same year.

Similarly in the United States, where the procedures are much as I have indicated in the Bill, as a result of decisions brought down by the United States Supreme Court in the Miranda case among others, in-depth studies have shown no significant reduction in conviction or clearance rates since that major decision.

I think the principles I have enunciated in the Bill would widen the protection given to people and would further implement the fundamental principle that people shall be considered to be innocent until proven guilty. I know that what I propose is extremely controversial, not only among the general public but among lawyers and judges. I doubt very much that Members of the House would agree to pass the Bill today, but I would urge them to at least permit it to go to the Standing Committee on Justice and Legal Affairs where it may get the kind of study in depth which I think it merits.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I am very pleased to speak on Bill C-446 and to follow the Hon. Member for Winnipeg North (Mr. Orlikow) who has been in this House since 1962. During this period of more than 20 years he has been in the forefront of social policy matters, legal, labour and employment matters, including issues such as the one we are discussing this afternoon.

Bill C-446 proposes to amend the Canada Evidence Act with respect to incriminating statements. Although the Bill's intent may be judged laudable in that it says it seeks to clarify the law, Members should be aware that, in fact, it fails to do so. In order to appreciate how this Bill fails to do so, one must begin with an appreciation of the existing state of the law. The subject of incriminating statements or, more colloquially, "confessions" has received and continues to receive a great deal of attention in our law.

I need not remind Members that the rule that a confession must be voluntary to be admissible is of long-standing. The rule can be traced back to two oft-quoted passages on the subject of confessions. The first, contained in Lord Sumner's speech in Ibrahim v. The King, (1914) A.C. 599 at pp. 609-10, is as follows:

> It has long been established as a positive rule of English criminal law, that no statement by an accused is admissible in evidence against him unless it is shewn by the prosecution to have been a voluntary statement, in the sense that it has not been obtained from him either by fear of prejudice or hope of advantage exercised or held out by a person in authority. The principle is as old as Lord Hale. The burden of proof in the matter has been decided by high authority in recent times in Reg. v. Thompson—

● (1730)

The second is found in the case to which Lord Summer refers: Mr. Justice Cave's judgment in Regina versus Thompson, 1893, 2 Queen's Bench 12 at page 16, wherein Mr. Justice Cave said:

> The material question consequently is whether the confession has been obtained by the influence of hope or fear, and the evidence to this point being in its nature preliminary, is addressed to the judge, who will require the prosecutor to shew affirmatively, to his satisfaction, that the statement was not made under the influence of an improper inducement, and who, in the event of any doubts subsisting on this head, will reject the confession.

This Bill seeks to define the term "voluntary statement" and in doing so adopts the rule in the Ibrahim case. What the Bill fails to do, Mr. Speaker, is to resolve the considerable debate which has raged over the proper definition of the term "voluntary".

I would refer Members to the leading Canadian authority in this area, Mr. Justice Fred Kaufman, of the Quebec Court of Appeal, who in the third edition of his classic work," Admissibility of Confessions", published in Toronto by Carswell in 1979, sets out the debate in the chapter dealing with the definition of "free and voluntary".

Mr. Justice Kaufman, on page 106, refers to an article by Professor Vincent Del Buono entitled "Voluntariness and Confessions: A Question of Fact or Question of Law", 1976-77, 19 Criminal Law Cases 100, which speaks of the two definitions of the term "voluntary" which have been adopted in Canada. This article was, by the way, cited with the approval by Mr. Justice Lamer of the Supreme Court of Canada in his judgment in the recent Supreme Court of Canada decision in Rothman versus The Queen, 1981, 59 Canadian Criminal Cases at page 31, and I quote:

> The first of the two definitions of "voluntary" comes from what may be termed a "narrow" reading of Lord Sumner's speech. In this reading, "voluntary" simply means that neither "fear of prejudice" nor "hope of

advantage" was "exercised or held out by a person in authority." Accordingly, the only onus on the prosecution is to show affirmatively that neither of these elements led to the making of the statement. The two elements "fear of prejudice" and "hope of advantage" together are regarded as exhaustively defining those circumstances which would render the statement involuntary. The second definition of "voluntary" takes what may be seen as a "wider" view of what the term encompasses. "Fear of prejudice" and "hope of advantage" are not regarded as exhaustive, but rather merely as illustrative, of those circumstances which would render a statement involuntary. After a consideration of all the surrounding circumstances, it would still be open to the trial judge, under this "wider" definition, to find that the statement was not voluntary, even though he was satisfied that the Crown has discharged the onus of showing affirmatively that no threat was made and no promise held out by a person in authority.

This illustrates the two approaches and concludes as follows:

An approach to the issue of voluntariness based on the "narrow" definition of the term fails to satisfy a "wise rule of policy" in that it impels a limited and mechanistic application of a "special legal definition" and at the same time prohibits the exercise of a suitably wide measure of judicial discretion—a discretion which, as Lord Sumner observes, even predates his discussion of it in *Ibrahim*. It may be, as well, that the "narrow" definition is anachronistic, since it evolved from a set of historical circumstances which no longer obtain. It should be borne in mind that the Board's decision in *Ibrahim* came only two years after the promulgation of the first set of Judges' Rules in 1912. In one sense, the "narrow" reading of Lord Sumner's speech may be said to consider the speech as nothing more than a further exposition of those rules. The import of the "narrow" definition is to place a stricture upon police officers and other comparable "persons in authority" to neither exercise "fear of prejudice" nor hold out "hope of advantage" when obtaining a statement from an accused. The focus of this definition, then, is on the conduct of "persons in authority", and it proceeds from the premise that every statement made by an accused is presumed to be voluntary and true unless "persons in authority" are shown to have engaged in a certain specific course of prohibited conduct, namely, exercising "fear of prejudice" or holding out "hope of advantage". The proper concern of the courts, however, ought to extend beyond a mere review of the conduct of the authorities; moreover, the presumption on which the "narrow" definition is premised is, I submit, no longer warranted—if, indeed, it ever was. The "wide" definition quite properly shifts the focus of the inquiry from determination of whether or not a person in authority engaged in a certain category of prohibited conduct, to the real issue of whether the confession was made in such circumstances that the court may rely on its truthfulness. It is to this latter question that the trial judges in Rasmussen (1934), 62 CCC 217 (NBCA), Washer (1947), 92 CCC 218 (Ont. SC), Murakami (1951), 99 CCC 347, affirmed 100 CCC 177 (SCC), Gillis (1966) 2 CCC 219 (BCCA), and Beaulieu (1968) 1 CCC 143 (Alta. CA) were addressing themselves, and this ought to be, I submit, the true concern of all trial judges faced with questions of voluntariness. The absence of certain prohibited types of conduct on the part of persons in authority does not in itself guarantee the trustworthiness of a confession, although it is certainly some evidence of it. An inquiry into all the circumstances surrounding the making of the confession, including the mental state of the accused at the time, would provide a much greater guarantee of the statement's trustworthiness, since the trial judge would be free to address his mind to the entire question of voluntariness rather than being restricted to examining the conduct of "persons in authority".

It must be borne in mind that the ultimate concern must be to guarantee "the evidentiary trustworthiness of statements". Unfortunately, the present Bill, although intending to enhance the rights of the accused, may in fact inadvertently have the exact opposite result. The Bill reproduces the rule in the Ibrahim case and adds an additional ground of exclusion, oppression.

Is it the intent of the proponent of the Bill that oppression constitute an entirely separate category of exclusion? If so, should not the Bill seek to define that term with more exactitude? Further, while statutorily providing for the definition of "voluntary statement", the Bill has not explicitly provided for judicial discretion to exclude the confession in circumstances which, although not falling within the conduct prohibited to persons in authority, nonetheless places the trustworthiness of the confession in doubt.

The second major deficiency of the present Bill is that it does not seem to take cognizance of Section 10 of the Charter. Under Section 10, any accused has the right on arrest or detention to retain and instruct counsel without delay and to be informed of that right. The ambit of that right is at present under consideration by the courts. Clearly the courts have the power to exclude statements obtained from accused who have not been informed of their right to counsel. The courts will exercise that power when, in the words of Section 24(2) of the Charter which was referred to by the previous speaker, the admission of the confession into the proceedings would, having regard to all of the circumstances, bring the administration of justice into disrepute.

• (1740)

The law surrounding the admissibility of confessions has evolved slowly and carefully through the case law. This long development has attempted to balance the interests of society against the rights of the accused. The law as it presently stands is continuing to evolve, now within the context of the Charter. It may be useful if at sometime in the future police departments experiment with the procedures outlined in the Bill to see whether the number of controversies would, in fact, be reduced. But in the absence of such evidence, it would be a grave mistake to pass this Bill, for its effect may be exactly opposite to what its proponents intend.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to speak briefly on the Bill. I would like to commend the Hon. Member for bringing it before the House. I acknowledge the legal arguments which have been made by the Hon. Member speaking for the Government. However, I believe we are discussing people who are not acquainted with the Charter of Rights and Freedoms or acquainted with the law, or learned in the law. Many of them have never had any contact with the law before.

People have come to me time and time again saying that when they were arrested and taken to the police station, they were not even permitted to use the telephone. Some have told me that they did not know they had the right to ask to use the telephone. Many of them, most young people today, for instance, do not have a lawyer. They might not even know a lawyer. Therefore, when one of them is asked whether he wants to phone his lawyer or is told that he may phone his lawyer, it is superfluous because the lad probably does not know a lawyer in the whole city and would not know who to phone.

If there are one or two deficiencies in the Bill, as the Parliamentary Secretary just outlined, they could certainly be corrected in the committee. That is why we have committees. I feel very concerned about the fact that almost every Bill, no matter what its merit, that comes before Private Members is talked out by the Government. Surely some of these Bills have merit and would be worth while. I think that the Government

must have adopted a policy of talking out Bills. We have committees set up. We could all learn from a number of these Bills. If a Bill cannot be amended so that it is satisfactory in committee, then, of course, it should be defeated. However, a search light could be put on many of these Bills. The importance of a committee carrying out a study of a particular matter should be brought out. This is not a study by highly legally trained lawyers, but rather by ordinary, everyday representatives of the people who come in contact with those who face these difficulties.

I suppose there is a great number of people who do not know their rights and who are alleged to have breached criminal law. Many of them were in the wrong place at the wrong time. Maybe they had no business being there, but they were not there fore any criminal purpose. However, I can understand a police officer taking such a person to the jailhouse or to the court room to question him about these matters. I am not worried about the seasoned criminal who may have been before a court two times, five times, ten times or, as in one case with which I am familiar, 150 times. Such people know their rights and demand them. There is no bluffing them. However, I am greatly concerned about young people who happen to be in the wrong place at the wrong time, with no criminal intent, who are apprehended and taken to be questioned. I certainly object to any type of law that deems that these people have been properly notified and advised, because, in some cases the police officers do not take the trouble to do so. As a matter of fact, as one or two police officers have told me, some police officers cannot be bothered. They are satisfied that a certain person has committed the offence, and that is it.

Let us say, for example, that John Doe is in a park at two o'clock in the morning and is taken by the police who believe him to have breached some criminal law. Why should he not be asked if he wants to phone his parents? His parents should have the right to know. If he is a young teenager, I think it should be a requirement that his parents be notified. He is there, never having been in a courtroom or perhaps never having been that close to a police officer, surrounded by policemen, and he is frightened stiff. He does not know what to do. He is simply a victim. He may or may not have committed a crime. Whether he did or did not, surely our laws should require that a teenager be permitted to phone his parents and have his father or mother come down. If he has a lawyer, he should be asked whether he wants to phone his lawyer. The police should not wait for him to demand it. Many of these young people would not think of demanding; they do not even know thay have the right to demand.

I think we can enhance this right of access to counsel, and the more we do the closer we will come to the desirable standard we have set out in the Charter of Rights and Freedoms. That is a right. However, if these young people do not ask for that right, or do not know they have it then often they may be accused and charged when, actually, they should not even have been charged. Once they are charged they do have a terrible feeling about it all.

The Parliamentary Secretary mentioned that we must weigh the rights of society versus the rights of the accused. I say that is fine if we are satisfied that the accused, the person charged, is the one who has committed a terrible crime. Then we must weight the evidence. Even so, why should he not have the right to counsel, as set out in the Charter of Rights and Freedoms? Why should the police not ensure that he has the opportunity to call his counsel or at least to call a friend or someone? People have told me that they were refused the right to phone a friend. They did not know a lawyer. Their parents were not in the city and they wanted to call a friend. They were refused that right. I do not think that is at all right. That is not weighing the merits of society against the merits of the accused. Let us give the accused every possibility to prove his innocence. He should be considered to be innocent. If he is found not to be innocent, then the punishment of the law should come into force or effect.

It would be a very good idea to send this Bill to the committee for examination. It should be examined with a spotlight, a searchlight; making corrections when something is not right, and maybe adding to it to make it a better Bill. I am sure the mover of the Bill would have no objection to either. However, it would tend to make our people in Canada realize that when they are picked up, wrongly or rightly, then they will have the full right of a citizen to prove innocence before being found guilty.

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, like my friend, the Hon. Member for Scarborough West (Mr. Weatherhead), I would like to compliment the Hon. Member for Winnipeg North (Mr. Orlikow) for having brought this issue forward. I also share some of the concerns just placed on the record by the Hon. Member for Bow River (Mr. Taylor). All of us have had experience with respect to those people uninitiated with the law and proceedings before the bar who have found themselves involved with local police officers and law enforcement agencies, very much at a loss in terms of how to deal with it.

• (1750)

My hon. friend for Scarborough West raised a number of issues with which this Bill does not deal. Obviously, all of us in the House would not want to be party to a piece of legislation that could result in the requirement of a pro forma, the likes of which all of us have seen on TV. I do not believe we would see it as an improvement of individual rights for an arresting officer to read from a card or by memory "You have the right to remain silent and if you decide to waive that right you have the right to counsel. If you cannot afford counsel you have the right to have one appointed for you by the court under the legal aid system . . . " The confusion that could exist in the minds of those individuals who are brought before legal authorities under those circumstances would prevent them, I believe, from having the opportunity of really knowing what was being put to them by way of choices.

Under the current laws and rules of evidence that have evolved, as my friend from Scarborough West has indicated,

the court at least has the discretion to look at all the circumstances and determine whether or not in that instance a voluntary and informed decision was made to make a statement in the absence of counsel.

I suggest that as a result of the confining definitions that exist in this particular Bill, there quite frankly might be a loss of some of the protections that now exist rather than their enhancement. It certainly would in fact require a pro forma. I wonder if that is the end result my friend is seeking by putting forward this Bill. I suspect not.

Mr. Orlikow: It has worked much better in the United States.

Mr. Daudlin: My friend says that it works much better in the United States. I have had the opportunity to discuss this issue with defence counsel, prosecuting attorneys and people from the bench in the United States. It seems to me that the Miranda decision in the United States has fallen onto rather hard times and into disrepute. In fact, while the civil libertarians apparently heralded that decision tremendously when it came in, I think a contrary view of it is being taken now. They rather suspect that by giving at least lip service to the Miranda decision substantial erosion of civil liberties is taking place instead of increasing protection. I think one would want to be very careful that that line of reasoning not be taken here.

Mr. Orlikow: Mr. Speaker, I rise on a point of order. Would the Hon. Member permit a question?

The Acting Speaker (Mr. Corbin): The Hon. Member wishes to put a question to the Hon. Member for Essex-Kent. Is it agreed?

Mr. Daudlin: Mr. Speaker, I would be delighted to entertain a question, but perhaps a little closer to the end of my allotted time.

I wish to indicate to my friend for Winnipeg North that I do in fact have a great deal of sympathy for what he is attempting to accomplish by way of this Bill. I think it would be imprudent if we were to act upon it for the reasons I have indicated and others which I will make now.

I am sure the House is aware that the Senate Legal and Constitutional Affairs Committee has before it Bill S-33, a proposed new Canada Evidence Act. Though not a complete code, it is nevertheless quite comprehensive in its treatment of the law of evidence. The question of admissibility of statements made by an accused to persons in authority is one of the areas dealt with in that Bill.

I understand that we are likely to have Bill S-33 before us in the fall and I think it would be wise to postpone discussion of the important questions raised by the Hon. Member in Bill C-446 until it can be debated in the context of the proposed new Canada Evidence Act. It has been said that the law of evidence is a seamless web. I submit that it would be counterproductive for this House to consider Bill C-446 out of context and without full awareness of the substance of Bill S-33. It is my understanding that we will not have to wait long for this opportunity, as the Minister of Justice (Mr. Lalonde) indicated his intention to proceed with the proposed new Canada Evidence Act as soon as possible.

Members of the House may not be aware of the amount of work that has gone into the preparation of Bill S-33. I think it might be of interest for them to know something of its history.

The law of evidence is, of course, one of the most technical subjects in the entire legal system. I think my hon. friend from Scarborough West demonstrated that in his speech a few moments ago. It is an accumulation of common law rules, exceptions to the rules and exceptions to the exceptions. As a result, it is extremely difficult to state the law with respect to many aspects of evidence and the principles of the law are frequently obscured in a morass of details.

Nor is the present Canada Evidence Act of much assistance in clarifying the law. The core of the Canada Evidence Act dates back to 1893 and represents the social values of that era. Such amendments as there have been occurred on a piecemeal basis, with the result that the Act displays a lack of consistency and, indeed in some instances, actually confusion as to its meaning and application. The law is further complicated by the fact that all Provinces except Quebec also have Evidence Acts to govern civil proceedings in their jurisdictions. There is no uniformity either between the provincial and federal Evidence Acts or between the Evidence Acts of different Provinces.

In an effort to bring some order into this important area of the law, the Minister of Justice in 1971 referred the subject to the Law Reform Commission of Canada for investigation and report. The Law Reform Commission studied the subject extensively over a period of four years, submitting its final report in December, 1975. The Commission recommended the adoption of an evidence code that would have replaced the common law entirely insofar as proceedings within federal jurisdiction were concerned.

Following reception of the Law Reform Commission Report the Department of Justice carried out consultations with the bar and bench across Canada over a period of almost a year. The reaction of the profession was generally unfavourable. The common law lawyers were particularly opposed to the concept of a code that would eliminate further reference to the common law precedents and principles that had become part of their intellectual and professional capital. Likewise, they were opposed to any change that would increase the area of discretion accorded to the judge in deciding whether or not evidence would be admissible. The climate was therefore clearly not favourable to rationalizing the rules of evidence along the lines proposed by the Law Reform Commission.

At about the same time some of the Provinces were showing interest in reform of their own rules of evidence. Indeed, the Law Reform Commission of Ontario published a report a few months after that of the Law Reform Commission of Canada in which it recommended passage of a new Ontario Evidence Act.

In an attempt to develop common rules of evidence that would apply to all the court proceedings, whether under the jurisdiction of the federal or the provincial Governments, the Ministers of Justice and Attorneys General in June, 1977, decided to approach the Uniform Law Conference of Canada to see whether it would be interested in acting as a non-partisan host for a project aimed at developing a uniform Evidence Act.

I should perhaps mention that the Uniform Law Conference of Canada is an independent body comprising legal experts from both the public and private sector. It was established to promote uniformity of legislation. The Deputy Ministers of Justice and the Deputy Attorneys General are ex officio members.

The Uniform Law Conference agreed to undertake this project, and in the fall of 1977 established a federal-provincial task force to study the laws of evidence, examine the recent reports on evidence by the Law Reform Commissions of Canada and Ontario and other recent reports and legislation in the area with a view to recommending uniform legislation. The task force, which was to complete its work and report back within three years, submitted its final report and a draft act in January, 1981.

Unlike the evidence code of the Law Reform Commission of Canada, the task force report recommended a legislative statement that, though broadly comprehensive, left room for development of certain areas through the common law. In addition, the common law would continue to serve as a guide to interpreting the new legislation and less scope would be given to judicial discretion in the interpretation and application of the rules than was given under the Law of Reform Commission code.

The report of the task force was accompanied by a draft uniform evidence act. The report and draft act were considered at a series of special plenary sessions of the Uniform Law Conference held from April to July, 1981.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. It being six o'clock, the House stands adjourned until tomorrow at eleven o'clock, pursuant to Standing Order 2(1).

At 6 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, June 9, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—GOVERNMENT POLICIES

Hon. Don Mazankowski (Vegreville) moved:

That this House rejects the centralizing and interventionist policies of the Government as an ideological thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

He said: Mr. Speaker, this motion quite clearly and succinctly zeroes in on the main root of the problem that exists in our nation of Canada today. It is with increasing frequency, increasing obviousness and increasing clarity that the economic, social and political ills of this country can be directly linked to the massive Government intervention, collectivism and centralization that has been provided by the Liberal Government, aided and supported by the NDP, which is tantamount to a Liberal-NDP coalition. The tragedy is that all Canadians are paying the price, particularly those Canadians who face the task of seeking work and who find themselves on the unemployment rolls.

There are signals and warnings from literally every corner of Canadian society that this direction must change. There are admissions even from Members of the Government and apologists for the Government that this social experiment is not working and must be changed. There is a clear recognition that it has failed.

But what do we get from the Government? It basically steamrolls ahead, keeping on in an unrelenting fashion day by day, further penetrating the economy. In the course of that it is crushing the entrepreneurial spirit of Canadians, the creative spirit of Canadians and their innovative capability. It is destroying the confidence of the business community and is confiscating hard-earned taxpaying dollars from Canadians.

What is most important is that there is an underlying erosion and suppression of Canada's fundamental and basic freedoms. Just yesterday, the Prime Minister (Mr. Trudeau) admitted to the House that the Government had lost control over a major Crown corporation, namely Canadair. He admitted that the Government was misled. The Government admitted that the mismanagement of this country had continued unchecked for a long period of time. The Government admitted that it failed to exercise proper accountability and to ensure the proper managerial expertise in this company, primarily because to a point it selects its friends to the board of directors rather than selecting people on the basis of their expertise. What happens? The Canadian taxpayer has been faced with the loss of $1.5 billion. This amount will probably reach $2 billion by the time this fiasco is through.

• (1110)

What has the Government set out to do? It really does not set out to correct the problem; it sets out to establish a bigger, bolder and more blatant monster by transforming the Canadian Development Investment Corporation into a Crown Corporation. It is really further perpetuating the problem that existed heretofore. Why does the Government do it? I suppose it is so it can appoint a few more of its friends to high positions and power and can further penetrate the marketplace. The combination of penetration of the marketplace and mismanagement can only amount to one thing—more dollars from the taxpayers' pockets.

The Globe and Mail just stated with reference to the Canadian Development Investment Corporation that it is a holding company to end all holding companies. It will be the largest holding company in Canada. It will have share capital of $1 billion. It will be able to borrow up to $3 billion. It is not accountable to the shareholders, or to the average Canadian who is the shareholder. It is not accountable to Parliament but to Cabinet. There is no control with regard to the value for money that will be expended. It has the ability to spin off numerous other Crown Corporations, to buy and to sell without any reference to Parliament and without a word of debate. Above all, Mr. Speaker, it can do this with no reference or control by the Auditor General of Canada. These monsters grow and multiply like rabbits.

What is more important and is becoming increasingly a concern of Canadians is that the Government proceeds with such blatancy and contempt for the taxpayer that Canadians from coast to coast are rising up and saying "Enough is enough." We have over 400 Crown corporations that are literally out of control. Let us look at Petro-Canada for a moment. When Petro-Canada was established it was to have been merely a modest window on the industry. It was to be involved in state to state trading and in exploration and development, particularly in those areas where the private sector did not enter. It was to encourage energy self-sufficiency. It did this because of the encouragement and the mandate from the Government.

There was no mention made of service stations. As a matter of fact, the former Energy Minister, Mr. Macdonald, who introduced this corporation, indicated that it was not the intention of Petro-Canada to become involved in the service station business. But what happened? Petro-Canada has over 1,500 service stations. How are we paying for them? An amount of $5 billion has been expended by this Crown Corporation, and where did it get the money? From the Canadian taxpayer. Every time an individual fills up his or her gas tank at any pump, he or she contributes four cents to a slush fund. We understand that in the next six months or so the bills will be paid for Pacific Petroleum, Atlantic Richfield, Petrofina and the British Petroleum acquisitions. Most of those companies were purchased at inflated prices. But the collection of the four-cent a gallon surtax will continue. The Government will build up a $3.5 billion slush fund. What for? I suppose to buy up more Crown corporations.

When you look at Petro-Canada over a seven-year period, on the basis of the 1982 financial statement it showed net retained earnings of $186 million. We have to bear in mind that this company gets its capital free. There is little interest on debt. If Petro-Canada had to function in the normal way in the marketplace and reward its shareholders, conforming to the financial and commercial marketing conditions of the real world, it would probably show a loss in excess of half a billion dollars.

More and more Canadians are realizing that Petro-Canada has not been a good investment. Reserves are not increasing. As a matter of fact, I think oil reserves have remained relatively the same and gas reserves have decreased. What about self-sufficiency? Petro-Canada has really not contributed to Canada's self-sufficiency. This corporation seems to be more interested in self-sufficiency in places like China, Senegal, Jamaica, Pakistan or Tanzania.

• (1115)

What else is concerning Canadians? It is the slip-shod accounting procedures and tactics to which the Auditor General referred. For example, there was the acquisition of Petrofina for $1.7 billion and the purchase of British Petroleum Canada, which started out at $347 million and ended up at $577 million. In his latest report, the Auditor General drew attention to the fact and warned the Government that there was a serious weakness in the manner in which Petro-Canada has been delegated authority to act as the major instrument in implementing the provisions of the National Energy Program. Quoting from page 12 of the Report of the Auditor General, in part it reads:

> This means the Government of Canada chose to delegate the implementation of a crucial decision concerning the National Energy Program to an entity that is not fully accountable to Parliament. This constitutes a serious weakness in the management of public funds.

What has been done to check that? We know of nothing. What did the Auditor General say about Petro-Canada? He said:

> When the Petro-Canada Act was given second reading in the House of Commons, the Minister of Energy, Mines and Resources placed great emphasis on the need for energy development, including risky and costly exploration in the far north, and government-to-government oil deals. However, the company's biggest financial undertaking to date, involving an investment of $1.7 billion, was in the oil refining and marketing business—Petro-Canada's purchase of Petrofina.

It has become an agency to infiltrate the private sector.

What about the broader context? There is a deep concern shared by all Canadians in the country. In effect, in the section dealing with matters of special importance and interest with respect to Crown corporations, the Auditor General referred to the myriad of Crown corporations as a form of subgovernment. He said:

> The citizens of Canada have a right to consider themselves the principal shareholders of these organizations; parliamentarians speak for them. Crown-owned corporations must be held accountable through Parliament.

He went on to say:

> These organizations have a greater impact on the economy and the life of Canadians than ever before. There are now more people working for Crown-owned organizations than there are working in government departments and agencies when the RCMP and the Armed Forces are excluded. A subgovernment has been created to fulfil some of the social and economic aims of Government. This subgovernment structure is not as accountable as I believe it should be.

To top it all off, we have his warnings and the warnings of the previous Auditor General. Also we have the admission of the Prime Minister yesterday that things were out of control. Yet Government refuses to change direction.

The country must be relieved of the technocrats and elitists who believe they can make the best decisions for Canadians. They believe that through the centralization of authority and decision-making they can make the ultimate in decisions for Canadians. Essentially this is based upon their maligned and disjointed philosophy. They do this, ignoring the realities of the world marketplace and ignoring the intelligence and the expertise of individual Canadians and individual Canadian businesses.

I find this action contemptuous. The utopian ideal, which may be espoused by my friends across the way and particularly by my friends to the left, that Government can plan and regulate everything to perfection has clearly been discredited; yet that myth prevails here in Ottawa. A country as large and diverse as Canada, with its potential and capacity in human and natural resources, requires the freedom of individuals based upon their intelligence, their instincts and their intuition to make decisions; to share those decisions with other individuals, with other corporations and with other governments; and to encourage risk-taking unfettered by the manipulation and interference of government.

No one person or group of persons can be a substitute for the complexity and variety of decisions which must be made in the day to day operations of the economy and of the stock market and that make the business engine turn. That is what we have in Ottawa today. Basically Canada's economy has become a game, played by the bureaucrats and the theorists, and essentially Canadians are the pawns.

• (1120)

Instead of the producers and builders running their operations, generating wealth and maintaining jobs, they must come to Ottawa cap in hand and wait for a decision. They have to wait for the next bureaucratic edict, tax policy or royalty policy to be espoused. The cost has been crushing to business, particularly those businesses associated with the energy sector, as a result of the National Energy Program.

The National Energy Program, with its attack on the oil sector and its discrimination against the domestic and foreign investor, has created a disaster in this country. It still continues to be the Liberal policy. It has destroyed the service and supply sector in western Canada. Some 20,000 to 30,000 jobs have been lost. Only 30 per cent of the rig fleet is working today. Every well that is being drilled creates 692 man-days of work. There have been bankruptcies, not of large businesses but of small Canadian businesses.

What this Government has overlooked is that every dollar spent in the energy sector in western Canada generates two dollars worth of activity in other places. Of every dollar spent in Alberta, 42 cents ends up in Ontario, 15 cents in Quebec, 29 cents in Alberta and 14 cents in other Provinces.

We could not find fault with the fundamental objectives of the National Energy Program; it is the manner in which the implementation took place. There was to be fairness in revenue sharing, acceleration of the Canadianization of the oil and gaz industry and oil self-sufficiency by 1990. The Government however was basically aiming at extracting the highest possible federal revenue that it could and imposing an increased Canadian ownership and Government control upon an industry which was tantamount to nationalization.

We have not achieved the goal of self-sufficiency and we have not achieved a fair pricing regime. Our gasoline prices at the pump are higher than in the United States. This is particularly true with regard to agriculture. Every time a farmer fills his tractor, 65 cents per gallon goes into Government coffers.

It has not attacked the multinationals, as was suggested it would. A recent edition of *Oilweek* magazine indicates that the net income for foreign-controlled companies declined by 11 per cent. By the same token, the income of Canadian companies declined by 37 per cent.

What is very disturbing as well is that it was a calculated decision to shift the exploration of oil from the conventional area to the frontier and offshore. A recent example is Petro-Can spending $70 million on a dry hole drilled off the coast of Nova Scotia. They did not use a Canadian rig but a Norwegian rig. With that amount of money, 240 gas wells or 98 oil wells could have been drilled in the sedimentary basin. Either of those projects would have created 38,000 man-days of employment.

The result of generation of a huge bureaucracy, which is costing about $1.5 billion, is that we now have three accountants for one working geologist whereas before the NEP we had one accountant for three geologists. We have a situation where the bottom line is simply that the NEP has been a massive failure. There is no other way in which it can be described.

What is more disturbing is that this Government wants to repeat this tragedy and penetrate its influence further in other areas. I refer to agriculture. Canagrex is the monstrous equivalent of the National Energy Program. It will probably lead to the establishment of five-year plans where Canadian farmers will have to check with Ottawa before deciding what to seed, how much fertilizer they will require and how much weed spray they should buy. There will probably be supermarkets. This proposal is a step in the wrong direction. When will we learn from the experiences of the past?

A new feed grains policy is being drafted. It, too, will put more power and influence in the hands of the livestock feed board and the Minister responsible. The new western rail policy provides for additional powers, more centralization of power in the hands of the Minister.

• (1125)

There is a debate now going on about the fishing sector. I suspect that the Government will probably espouse the formation of a Crown corporation that will take over the fishing sector.

Mr. Epp: We will have to blame Canagrex for that.

Mr. Mazankowski: My hon. colleague says that we will have to blame Canagrex for that. The Government wants control over the news media.

The emergency planning order has not been brought to the House for debate. It has been imposed simply through regulation, and in times of real or apprehended emergencies the Government can take total control of the economy. It can invoke censorship and suspend civil liberties. It will take over all of these things, Sir, from basic civil liberties to the whole of the economy.

The November, 1981 budget really was the most anti-business, anti-investment and anti-growth budget that has ever been delivered in the House. Thank God that, through the efforts of the Opposition and others, there has been a retraction of that budget. But the latest budget is really no better. The Government has indicated that the new budget will use the private sector as the main engine for recovery. The Minister of State for Economic Development (Mr. Johnston), the Minister of Industry, Trade and Commerce (Mr. Lumley) and the Minister of Finance (Mr. Lalonde) masquerade by saying that they are the great defenders and supporters of the private sector. Yet looking at their policies they are really espousing more and more state Government control.

In conclusion, Mr. Speaker, seven years ago 36 per cent of Canadians polled saw big labour as the biggest threat to Canada's future; 29 per cent named big Government and 20 per cent named big business as the biggest threat to Canada's future. This November that same poll shows that 50 per cent of Canadian people believe that the federal Government's influence on their way of life is too great.

The fact of the matter is that the Government's unrelenting intervention, its confiscating tax policies, its huge bureaucracies, and its creation of a multitude of Crown corporations have complicated the economy and created a costly burden upon all Canadians in the country. Furthermore, these things have stifled and eroded not only our economic freedom but indeed our political freedom. We all know, Sir, that true democracy cannot function within this kind of a controlled economy. That is why we brought this motion forward for debate. We draw to the attention of the House and Canadians in general that the Government's trend is wrong. The Government must reverse its dangerous and tragic trend and we implore it to do so without delay.

Some Hon. Members: Hear, hear!

Mr. Skelly: Mr. Speaker, that was a very interesting speech made by the previous Member. I would like to make a comment, and the possibility of a response to my comment would be appreciated.

I would like to observe, Mr. Speaker, in speaking about energy, that the combined efforts of both the Conservative provincial Government of Alberta and the Liberal federal Government in Ottawa is what has really destroyed or harmed the energy industry in Alberta. I would recall to the previous speaker that Peter Lougheed, the Premier of Alberta, gave a $5 billion incentive to Alberta oil companies and these companies promtly took that $5 billion out of the Province. In his blind adherence to free and private enterprise, Premier Lougheed attached no performance guarantees to that money. He gave a $5 billion gift to the oil companies and that money was promptly removed from the Province of Alberta and used to buy 20-cent dollars in order to drill offshore and in Canadian lands.

I suggest to the previous speaker that it was the blind adherence to the ridiculous policies of both the Conservatives and the Liberals that caused a great deal of harm in Alberta and ended up creating an enormous amount of unemployment and a serious hampering of the energy industry in the Province. If a proposal were put forward to rectify this situation, that proposal would not only have to change Liberal policies but would certainly have to change that blind and ridiculous approach of the Conservative Government. I suggest that if we are to continue following that blind approach, we will end up destroying medicare and most of the institutions that have been created in the country.

Some Hon. Members: Oh, oh!

Mr. Epp: That is a 6 per cent solution.

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

Mr. Mazankowski: I thank the Hon. Member for his question. I might begin by reminding him that I am still a Member; I am not a former Member.

Second, I think he would find that there was general concurrence among the Canadian population and indeed among all sectors of the energy industry that it was not the combined forces of the Liberal and Conservative Governments that brought the energy industry to its knees. It was really the efforts of the Liberal Government, aided and abetted by the NDP in Ottawa, that perpetrated the mess. I know that the Hon. Member is supportive of the so-called New Democratic Party industrial strategy which would propose to turn the total Canadian industrial sector into the equivalent of a National Energy Program. We disagree with that fundamentally because it has been proven that it does not work in the energy sector. It will not work in the other sectors of the economy either.

• (1130)

As far as blaming the Province of Alberta is concerned—and I take offence at that—I think the Hon. Member should know that the benefit of the low price provided by the Government of Alberta and the producing Provinces has not accrued to the consumer. That is concurred in by the Minister of Energy, Mines and Resources (Mr. Chrétien), who points out day after day in this House that it was really the Provinces of Quebec and Ontario that moved to take up the slack. Any slack that they did not take up was absorbed by the federal Government. I would remind the Hon. Member that 65 cents per gallon goes into federal coffers. While Alberta was selling oil at the wellhead price of 50 per cent of 55 per cent of world price, that advantage was not accruing to the consumer, and I say that is a tragedy.

Mr. Skelly: Mr. Speaker, I should like to run through this one more time to see if the Hon. Member can get it straight. Many other Conservative Members have problems with this.

The point I was making was that the Premier of Alberta—a Tory's Tory—gave away $5 billion of Alberta's money without any performance requirements in that Province. As a result, we are now looking at deficits in that Province and 136,000 people unemployed as well as a serious problem in developing adequate energy supplies. The Alberta Energy Corporation simply took the gift at the expense of the people of Alberta, bought 20-cent dollars and moved the industrial activity or energy activity offshore into Canada lands.

I would ask the Hon. Member if he does not agree that that was a failure of the Conservatives at the provincial level and of the Liberals at the federal level.

Mr. Mazankowski: Mr. Speaker, the Hon. Member should go to Alberta and talk to some of his NDP friends who offered an alternative to the Government which the people of Alberta rejected.

As far as the Hon. Member trying to explain the NDP energy policy is concerned, the polls show that only 16 per cent of the Canadian people understand it. I do not think I have to take any lessons from the Hon. Member about the way the Government of Alberta is run. Neither does the Premier of that Province. I invite the Hon. Member to go to the Province of Alberta, talk to a few people and he will be enlightened. It might improve the quality of his questions.

Mr. Skelly: Mr. Speaker, I recognize that the Hon. Member, being from the Province of Alberta, may spend a little more time there than is required in Ottawa without surveying opinions in his Province. He should be aware that in the last few months, in the times that I have been in Alberta, there has been a great deal of criticism of the policies that have harmed the economy. Alternatives have been put forward. If the Hon. Member were sincere in his presentation to the House, he would recognize the serious problem. The Conservatives must clean up their act. Blind adherence to private enterprise is not the way the country will function effectively or ensure an even distribution of benefits.

It is Conservative Governments that are destroying other institutions in the country, not just energy. Medicare is on the rocks and so are hospitalization schemes in Provinces where Conservative Governments are in power. Gradually we will see the complete erosion of an equitable approach to distribution in Canada if that Party gains power federally.

Mr. Mazankowski: Mr. Speaker, I do not want to be flippant but I want to say to the Hon. Member that I can only back up the sincerity of my argument by the fact that people support the policy of the Government of Alberta both at the ballot box and in the public opinion polls. As far as the Conservative policy is concerned vis-à-vis the NDP, I think it is quite clear from public opinion polls that the NDP is out of the picture. The Conservatives must be doing something right. They must have some policies that Canadians embrace.

Perhaps the Hon. Member should go to the Province of Saskatchewan as well. Not only did a Liberal Government destroy what was left of the energy sector in Saskatchewan, but that destruction was aided and abetted by a provincial NDP Government. The new thrust, "Open for Business", in Saskatchewan is really taking hold. In spite of the National Energy Program, a vibrant new energy sector is emerging. It means jobs and it means the generation of new wealth.

Perhaps the Hon. Member exemplifies the reason the NDP is doing so poorly around the country. It is trying to do everything in its power to take hold of an issue, but I suggest to the Hon. Member that he is on the wrong wicket with this particular issue.

Mr. Althouse: Mr. Speaker, I wonder if the Hon. Member would explain to the House how the industrial policy is working in Saskatchewan. As a Member from that Province, it seems to me that we have succeeded in getting that so-called industrial expansion in the oil business which he referred to and which is not very apparent to people on the ground there, at the expense of a provincial deficit like none we have ever had, somewhere in the area of $350 million by the end of this year. That is because we have given away the oil revenues and the resource revenues of the Province in our attempt to attract some activity.

Mr. Mazankowski: Mr. Speaker, the New Democratic Party cannot have it both ways. It says that the Conservative Governments are not compassionate, that they do not care about people, I think the Premier of Saskatchewan and his Cabinet demonstrated compassion in their budget when they considered the importance of maintaining the level of social and welfare standards. They encouraged job-creation activities, as a Government should in times of economic decline.

I think the fact is that they have put more money into the hands of the average citizen in Saskatchewan by the reduction of the sales tax on gasoline. They have assisted home owners and have done a lot of things to help the average Saskatchewan citizen.

It is really strange that all the flak is coming from the socialists. Perhaps the message is getting through to the Government. It may be prepared to take a new course, but it certainly does not meet with the approval of my socialist friends to my left.

A Member from British Columbia was chastising me not too long ago about the fact that they were going to walk over the Social Credit Party in British Columbia. We have not heard anything from them lately on that issue. They are most sensitive. I guess the motion has already served its purpose.

Hon. John Roberts (Minister of the Environment): Mr. Speaker, the Hon. Member for Vegreville (Mr. Mazankowski) knows of the affectionate regard in which I hold him. Nothing he has said today will shake that regard. He started off by saying this motion was very clear and succinct. I am not surprised that he did not read it. It says:

> That this House rejects the centralizing and interventionist policies of the Government as an ideological thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

If the Hon. Member believes that is clear and succinct he will believe anything—as clearly he does. It is a motion which is typical of so much of what is happening in the Tory Party these days. It is excessive, myopic and confused. I doubt that the Hon. Member knows what it means.

• (1140)

He accuses us of the terrible sin of "socialization". He should look at the Oxford Dictionary; it is a well-known book. "Socialization" means acting in a social manner. If there is anyone who is being socialized around Ottawa these days, it is the Tory Party. It is out wining and dining and partying as the candidates are looking for delegates in the their quest for new leadership.

This motion is a ragbag of windy rhetoric without any substance. What the Hon. Members have done is drop into the motion any old scare word they could find. A few years ago, Mr. Speaker, there was an election campaign in the American south in which one of the Senators—in fact still a distinguished representative of the American Congress—was attacked by his opponent in a vicious campaign. His opponent said: "His brother is a self-confessed philanthropist and his wife is a thespian". If the Hon. Member had thought he could scare up any votes, he would have accused us of being self-confessed philanthropists and thespians.

Mr. Mazankowski: Watch the polls next month.

Mr. Roberts: What does the Hon. Member really mean by "socialization"? It is hard to know. He certainly does not seem to understand what the word means. Perhaps he means that this Government, this Party, is committed to social reform, that we do believe we can help.

I apologize, I did not mean to be so harsh. That the Hon. Member could not stand it; that he had to leave the House. However, if he thinks this is bad, wait until my colleague the Minister of Agriculture (Mr. Whelan) goes after him this afternoon.

Yes, Mr. Speaker, we do believe that Government can help society by providing a basic structure of social protection. If that is his accusation, then we are guilty. We are not only guilty, we are proud. We in this Party and this Government are proud that we have been responsible for building the basic structure—

Mr. Taylor: That is why you are way down in the polls.

Mr. Roberts: —of social protection.

Some Hon. Members: Hear, hear!

Mr. Roberts: We do believe that society should care not only for the rich and the self-important. We do believe that society should care and that Government can help those who are not fortunate in a society. We do believe in those things.

Yes, we were responsible for Family Allowances; guilty. Yes, we believe in old age pensions; guilty. Yes, we support the Unemployment Insurance Program which, in these days, has shown how important and valuable it can be to a country in a period of recession. Yes, we are proud that we brought in medicare; guilty. Yes, we believe in Guaranteed Income Supplements; guilty. Yes, we support the Canada Assistance Program; guilty. If that is what the Hon. Member means by "socialization", then we are guilty.

It is odd, though, Mr. Speaker, to realize that these programs we brought forward, that "socialization", were fought by that Party opposite. The Conservatives fought these programs when they were introduced. They do not fight them now, however, not in specifics. They do, of course, with their windy rhetoric but not in specifics.

I would like to welcome the Hon. Member back to the House. I promise not to say anything too unkind about him from now on.

Mr. Mazankowski: I just had to take a phone call, and they agreed with everything I said.

Mr. Roberts: One has only to look at that Party's leading candidates, and perhaps I should not say this to the Hon. Member because he has not the courage to support any of the candidates for the Progressive Conservative leadership. Perhaps, Mr. Speaker, "lacking in courage", is not a parliamentary expression. Perhaps I should say he has the good sense not to support any of the Progressive Conservative candidates for leadership. However, you do not find those leaders attacking these programs. Mr. Mulroney is not opposing medicare. The Hon. Member for Yellowhead (Mr. Clark) is not opposed to Family Allowances. The Hon. Member for St. John's West (Mr. Crosbie) is not opposing old age pensions. Oh, no. With rhetoric, yes, they are against "socialization", but they are not against those programs. Perhaps they do not understand why those programs are good. However, what they do understand is that the Canadian public needs them and wants to have them.

Some Hon. Members: Hear, hear!

Mr. Roberts: Perhaps what that Party is talking about with "socialization" is economic socialism. Maybe that is the ragtag they are trying to stick to our image. In that case, they do not have very long memories, do they, Mr. Speaker? They forget that it was Liberal Governments with Louis St. Laurent and C. D. Howe which established the basic, tremendous growth and structure of economic development in Canada. Is that the kind of intervention which they are opposed to in their resolution?

They do not have very short memories, either. Is it because we stand for some sort of "socialization" that the recent budget brought forward by my colleague, the Minister of Finance (Mr. Lalonde), was applauded by virtually all-business people—small business, large business, medium-sized business? Is the investment tax credit socialization? Is the special recovery refundable tax credit socialization? Is the special recovery share-purchase tax credit socialization? Is the special recovery investment fund socialization? Is the special recovery exports financing fund socialization? If that is "socialization", then the country is certainly going to benefit from that kind of approach to our economic problems.

This motion rejects "interventionist policies". That Party is against intervention. It is wonderful to listen to the Hon. Member. His speeches ring out across the land. Who can forget those marvellous attacks against Premier Lougheed for the purchase of Pacific Western Airlines? Who can forget his astringent comments against the Conservative Government of Ontario for the purchase of Suncor and for their involvement with Ontario Hydro? Who can forget his flaming attacks against the retroactive appropriation of trust companies? Oh, yes, he is against intervention. Every day we hear the Hon. Member speak out against such intervention as the Canadian Wheat Board, for instance.

Every day I listen to the comments of his colleagues. For instance, in my own area of responsibility, when we talk about forestry policies in this House of Commons, his colleagues seem to be always asking me to do less in forestry. They seem to be always suggesting we could get by without doing as much, that we do not need more, that we should not be more active. That is what his colleagues seem to be saying all the time. Nonsense. He should talk to his seatmates. They are pushing and pressing the Government to do more and more in the forestry area.

Mr. Taylor: More for the people. Less for the Liberals.

Mr. Roberts: In science and technology, for which I used to have some responsibility, of course, his colleagues are saying to

do less. "Do not intervene. Do not help. Do not assist. Do not provide a context in which research and development can get done." And pigs will fly! Every day they are urging me not to intervene, not to seek better regulation of industry to try and tackle the acid rain problem. Oh, yes, each day on the other side of the House they are asking us to do less in tackling water quality problems in Canada. Yes, in theory, in rhetoric, in that kind of overblown, windbag style. However, when it comes down to specifics—because more of them over there are practical and understand the wants of their constituents—they want Government to be involved and to help.

Mr. Thacker: Tell us about the debt and the interest to service the debt.

Mr. Roberts: Their rhetoric simply does not match the realities of this country. The sad fact, Mr. Speaker, is that they do not understand the realities of this country. "Socialization" means "render fit for society". Yes, we believe that the Canadian economy should be fit for this society, that it should serve this society. That is why we have always had in this country a positive involvement of Government in the Canadian economy. It is not because there is some, to quote the words of the Hon. Members opposite, "ideological thrust". Does that not sound sinister, Mr. Speaker? It is not because of some ideological thrust. It is not because of ragbag rhetoric. It is because of the practical realities of this country.

There has always been Government involvement in the economy of this country. It is at the heart of the history of our country. Government has been involved from its beginning in the creation of canals, in the creation of railways, in marketing, in air transportation, and in countless programs. Not because of some abstract, windblown, ideological conception, but because given the size of this country, and given the size of its population, there has had to be a constructive and positive role for Government in assisting economic growth and assisting the private sector to do what it can in the creation of growth in this country. The Government must be involved and it must help if Canadian society is to thrive.

• (1150)

That is what Hon. Members opposite do not understand. They think that what we have done, as Liberal Governments, is because of some sort of—how did they put it?—some sort of "back door" approach? This was not done by the back door; it was done because of elections. Why we have been able to do these things as a Government is that the people of Canada wanted us to do them. I suppose it might be possible, somehow, to do them by the back door. It might be possible somehow to be sneaky, to fool the people once and a while and to take power that way. However, would it be possible for 45 of the last 50 years? It was not because we did it by the back door, but, rather, because we responded to the reality of the country in a way which Canadians could understand and did not simply try to serve up to them empty, posturing rhetoric.

The tragedy of the motion is that Canadians deserve much better from the Conservative Party. They deserve to have an Opposition which is prepared to define alternative policies which relate to the reality of this country so that Canadians have an effective choice.

The tragedy is that the Conservative Party has turned its back on its own heritage. Its one great Prime Minister understood the reality of country. Sir John A. Macdonald understood that reality. If he were back here now, he would stand in the pillory condemned by the Hon. Member for Vegreville for the kind of approach that he took with regard to that terrible railroad, that awful railroad, the intervention of Government into society to create that railroad, that terrible intervention, that kind of centralization. If Sir John A. Macdonald were back in the House today to hear the motion, he would have crossed the floor to this side, if he would not have crossed it long ago.

Mr. Gray: He was a Liberal Conservative.

Mr. Roberts: What this country needs is not the kind of vacuous piffle which this motion represents. What it needs is a Conservative Party which remembers the heritage it once had, and remembers the kind of approach that once made it a relevant Party to the problems of this country.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: I would like to ask a question of the Minister who just concluded his remarks. He essentially ignored the issue of the economic thrust as contained in the motion and sought to divert his comments in an attempt to focus on the various social programs, the old age pension, Unemployment Insurance, and things of that nature which, as Members of a compassionate Party, we have always supported.

Mr. Fisher: Careful now.

Mr. Mazankowski: The fact of the matter is that there has been an increasing wave of Government intervention in the Canadian economy, as witnessed by the NEP, as witnessed by the economic development thrust into the 1980s, as Government policy. This is acknowledged by increasing numbers of Canadians. Does the Minister really ignore the fact that as of today, some 60 per cent of Canadians throughout the country believe that the federal Government's influence on their daily lives is too great?

He also refers to the fact that the Liberals have been in power for the last 40-odd years. What is very disconcerting about the present trend is that over the last 15 years there has been a major escalation of Government intervention, and particularly in the last two years. Sixty per cent of the Canadian people believe that that intervention is too great.

Mr. Roberts: Mr. Speaker, I welcome the question because it enables me to return to a part of my speech which I had not had the time to deliver. I will answer the Hon. Member in two ways. First, if he would take an objective look, which is easy to do by looking over the past record from Statistics Canada, he will find that federal participation in the Canadian economy has not increased significantly, as a proportion of the Gross National Product, since the Second World War. Clearly, as I

have said in my speech, the kind of policies which these past Liberal Governments have supported have been clearly supported by the Canadian public. If he wants to consider the last 15 years, if my memory serves me correctly, the Opposition has been in power for nine months of those last 15 years, which seems to me to be a relevant indication of the degree of support his Party has had.

The second point in reply to his question is exactly this: the kind of economic policy which the Government has always espoused is that which was presented within the budget of my colleague, the Minister of Finance. That clearly does argue two points, one being that the private sector is a motor for economic development and, second, that the Government has a positive role to play in creating a context which would make that private sector activity fruitful and effective.

We do not believe what perhaps the Hon. Member believes. I am not sure that he believes it. We do not believe, as many Conservatives do, that the proper role for Government is simply to stand as far away as possible from these concerns and allow the private sector to work without any role for Government at all. We believe that the proper approach and the one which has clearly been the approach followed throughout Canadian history, is a positive partnership of Government and the private sector.

That is why in the budgetary proposals brought forward by the Minister of Finance—

Mr. Mazankowski: You don't practice what you preach, though.

Mr. Roberts: —we brought forward a variety of tax proposals which we believe, and I think the private sector believes, will create economic activity and growth in the country. The budget also recognizes that it will take some time for the impact of those budgetary proposals to be felt. As a result, we brought forward the Special Recovery Program which involves a direct participation of the Government in creating jobs to bridge that gap until the private sector incentives begin to have their impact. The budget quite clearly idicates the kind of general economic approach we on this side of the House follow, one which states that the Government does have a legitimate and useful role which should be pursued, and one which also tries to create as open and as positive a context for private sector activity as possible. Does the hon. gentleman disagree with that approach?

The Acting Speaker (Mr. Corbin): Order. The Minister's answer is rather long.

Mr. Thacker: Mr. Speaker, I want the Minister to tell me where the governing Party believes the amount of revenue which goes to service the debt should stop, because when it first came to power in 1968, it was very small. Some 5 per cent of tax revenue went to service the debt. During those 15 years the debt has risen dramatically, so that now the percentage to service the debt is over 30 per cent of tax revenue. One dollar in three goes to service the debt, which means that it is concentrating wealth into the hands of people who already have wealth. We are very much becoming a class society. Where does the Minister want to cut it off, at 40 per cent, 50 per cent, 60 per cent or 70 per cent?

Mr. Roberts: Mr. Speaker, I will not give the hon. gentleman a specific percentage. I would suggest two facts that he should keep in mind in approaching or determining that question. The first is that a great deal depends upon what stage of the economic cycle one finds oneself. The level of debt which is appropriate when there is a high level of prosperity and, therefore, high revenues in terms of the take in Government taxes, is a different situation from one in which one is managing fiscal and monetary policy in a recessionary situation.

The other suggestion I would make to the hon. gentleman is that he should not only look at the debt side, but he should also realize that the debt and the service charges on the debt reflect payments for real assets which are in the country and that the importance of those assets can be reflected in the size of the Gross National Product.

Mr. Thacker: Canadair.

Mr. Roberts: He should not only look at the debt side, but he should also make an assessment of the tremendous assets of the country which that debt has helped to create.

Mr. McKnight: Mr. Speaker, I would just like briefly to ask the Minister a question and make the comment that, as far as economic development and the economic spin-off is concerned, the Hon. Member for Ottawa Centre (Mr. Evans) feels that the Conservative Party has contributed more economically to his riding, I am sure, in the last three or four days than the Party which is in Government will over the next number of days in the future.

I would simply like to say that when one speaks of the increase, when one considers on a national accounts basis the increase in debt over the last 12 years, the debt has increased 693 per cent. That is more than a slight variance. If one wants to use the public accounts basis, it has increased 554 per cent.

As we have debated in the House concerning the Canadair issue, where the known amount of debt is $1.4 billion, used in another way a contribution of this amount would have run the Canada Students Loans Program for three years. The $1.4 billion would have implemented the Kirby Commission recommendations. It would have built seven Calgary Olympics or four new frigates.

• (1200)

When one compares the management of this Crown Corporation under the direction of the Government, these funds could have been used for these other purposes in a more positive manner for the people of Canada than under the direction of the Government.

Mr. Roberts: Mr. Speaker, if the Hon. Member is right about the impact that the Conservative Convention is having

on the constituency of the Hon. Member for Ottawa West (Mr. Francis), I suspect it is about the only positive thing it has done in the past three and a half years. I think the Hon. Member's question as he expressed it is confused. He began talking about the level of debt and its implications. By the end of the question he was not talking about the size of expenditure but whether the expenditure had been efficiently and effectively made. Those are two separate questions.

To answer the first question, I have to return to answers I have already given. One has to look at the size of the debt in terms of the economic cycle and the assets it helps create. Opposition Members in the House urge us day in and day out to undertake more and more expenditures for projects which they think are valuable and useful, given the economic situation which we confront. It is easy for them to disclaim the over-all impact of what they suggest and forget that it is the accumulation of all of the individual programs they would bring forward that would lead to such a debt.

In terms of the proper expenditure of the funds the Hon. Member described, the simplest way to focus on that question would be to ask him if it woulld have been right for the federal Government to withdraw its support of the aerospace industry in this country. His Government made that mistake back in the 1950s in terms of the Avro Arrow and we are still suffering from it.

If he was asking for my personal opinion, I would say that it is important that the federal Government support the aerospace industry. When you do that, some things go well and some do not go well. Yesterday we saw the shuttle flying into Ottawa. There was great enthusiasm. I think Members on the other side of the House would suggest that it was beneficial for Canada to support the development of Canadarm. That was a gamble we took which succeeded tremendously.

The Acting Speaker (Mr. Corbin): Order. The time provided for questions has expired.

Before proceeding to another Hon. Member, the Chair would like to remind Hon. Members of Standing Order 15(3), which states:

When a Member is speaking, no Member shall pass between that Member and the Chair—

In the course of the Minister's speech, an Hon. Member did cross the floor between the Hon. Minister and the Chair. The Chair would hesitate to stop a Member dead in his tracks for fear of the consequences, but I would be very happy if Hon. Members would co-operate and respect that basic rule of debate.

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, today we witness another spectacle and more evidence that the Canadian conservative tradition in the Conservative Party of Canada is philosphically disintegrating before our very eyes.

An Hon. Member: Give us the 16 per cent solution.

Mr. Blaikie: Actually, I was just about to come to that. An Hon. Member says to give the 16 per cent solution, referring, of course, to the latest Gallup poll and the indication that my Party only has 16 per cent support in the polls.

I was going to come to that topic because the Hon. Member for Vegreville (Mr. Mazankowski) was arguing the validity of Conservative policies by citing the support that those policies appear to be receiving in the Gallup poll. I cite that as evidence of what I previously referred to as the philosophical disintegration of the Conservative Party.

I am sure that Edmond Burke is rolling over in his grave after hearing Conservatives citing polls as evidence for the validity of their policies. Edmund Burke was that great Tory and defender of parliamentary government who said that he owed his constituents his best judgment and the exercise of his conscience. Although he would not have been able to say it this way at the time, he would have argued that he was not there simply to cater to the latest survey or opinion poll. Yet I believe that is where the Conservative Party has arrived via the long route that has seen the gradual Americanization of Canadian Conservatism.

I think it is a tragedy for Canadian politics and a tragedy for the political context in which debates take place in Canada to see a Party trying to take advantage of legitimate anti-Government feeling on the part of Canadians instead of attempting to help Canadians and others understand, through intelligent debate and reasonable argument, what is happening, in what ways their anti-Government feelings are legitimate and what other factors may be involved that cannot be blamed on Government alone.

The Conservatives make no attempt to help Canadians understand. Instead, we see them trying to ride out this anti-Government phenomenon felt by Canadians to victory. Perhaps they do not understand themselves. The Hon. Member for Vegreville said that his motion put clearly and succinctly what was happening. Surely he could not have meant that. Surely a motion which purports to be an analysis of what is happening to the Canadian economy and society but lays the blame for everything at the door of one particular sector in our society cannot be called clear or succinct.

For instance, there is no mention made of the environmental dimensions to the economic problems we are now facing. There is no mention made of errors and omissions of policies in the private sector of the country. There is no mention made of the global conditions in which the Canadian economy must develop. There is no mention of the North-South dialogue. In other words, there is no attempt to be intellectually honest with themselves or with the Canadian people in describing what is going on.

I say this without defending the Government in any way. I simply ask that the Conservatives make their analysis with intellectual honesty. I too have lots to say in criticism of the Government and many of its policies, but we serve no useful purpose in the House when we try to pretend that the issues are as simple as this motion would have us think they are.

Another reason why the motion and the speech made by the Hon. Member for Vegreville are not intellectually honest or

respectable is that no specific alternatives were suggested. He went on at great length to speak in very general ideological terms. I did not hear the Hon. Member for Vegreville take a stand on Petro-Canada and I challenge him to get up to say whether a Conservative Government will or will not get rid of Petro-Canada. When he has the opportunity to rise after my speech, I challenge him to get up and say whether or not the Conservatives intend to get rid of medicare. They are already eliminating it slowly and surely anyway through the aegis of their various provincial Governments. But what would the stand of a Progressive Conservative Government be on medicare? There is no honesty, just generalities. We hear no statements about what the Progressive Conservative Government would do with respect to some of the issues about which they speak at great length.

The Hon. Member for Vegreville criticized Petro-Canada in his speech. I also have many criticisms I wish to make about Petro-Canada. However, the Hon. Member lacked intellectual honesty in this area as well because, for all his criticisms of Petro-Canada, he did not allow, as he should have allowed, that all of those criticisms could have been made of the private sector corporations. He could have made those criticisms of private sector corporations that run up huge debts and that are involved in mergers that are not very productive and do not create jobs. They have to go the banks to borrow. Many of them cannot repay those loans. Then they go to the Government cap in hand to be bailed out. We did not hear anything about that. We did not hear anything about the sins of the private sector from the Tories. You would not hear that from the Tories. They are not interested in knowing what is going on; they are interested in painting a distorted picture of what is really going on in the Canadian economy.

• (1210)

The Hon. Member for Vegreville also did not distinguish between Liberal policy and NDP policy in this area. He likes to perpetrate the political lie that there is no difference between the Liberals and the NDP on these various matters. He knows very well that is not true. He knows very well that New Democrats over the years have been interested in making Crown corporations more accountable. The Hon. Member for Vegreville served for years on the Standing Committee on Transport along with the Hon. Member for Regina West (Mr. Benjamin). He knows that no one has been more devoted to the idea of making the CNR more accountable to Parliament and more accountable to the needs of the Canadian people and Canadian communities than the Hon. Member for Regina West. Yet the same individual who has witnessed that all these years gets up and says that the Liberals and the NDP are one and the same when it comes to Crown corporations. That is just not true, Mr. Speaker. Anybody with a whit of intelligence or honesty would not have got up and alleged what the Hon. Member alleges with regard to the "great Liberal-NDP conspiracy".

On the matter of accountability, we in this Party believe that freedom suffers not just when there is a lack of accountability between Crown corporations and Parliament, but when there is a lack of accountability to the common good and to the public interest wherever that lack of accountability occurs. We are concerned about the lack of accountability between Crown corporations and Parliament. We are also concerned about the lack of accountability between multinational corporations, the common good and the public interest. We do not single out one sector for accountability and leave another sector to do as it pleases. We want accountability for all. We want all economic activity in this country to be accountable to the common good. That is the fatal flaw in the Conservative position. It would single out government activity for accountability and allow another sector of the economy to go unhindered and unaccountable.

No one is more aware than we are, of the need for accountability, myself in particular, having served on the Special Committee on Standing Orders and Procedure, where we discussed the whole matter of the parliamentary accountability of the subgovernment to which the Hon. Member refers. There is a real problem. But let us not concentrate on that problem at the expense of pretending all these other problems do not exist. We would not be doing a service to the Canadian people by doing so. We should want to counter the threat to freedom, Mr. Speaker, wherever we find it.

There is a problem with bureaucracy in this country. There is a problem with bureaucracy in the modern world. It does not matter really whether it is a Crown corporation or a private corporation. There are certain organizational structures which we find in the world today which are stifling, unaccountable and against which people are rightly rebelling. But let us not pretend that this is just a phenomenon peculiar to government. We find it in large corporations as well as in government. And there are problems peculiar to government, of course.

We in the NDP do not see ourselves as part of any Liberal-NDP coalition. No one is more unhappy than we are with the bad name that the Liberals have given to government. As democratic socialists who want to see more interventionist government, more active government, and who believe in a positive role for government, no one is more unhappy than we are with the bad name the Liberals have given to public ownership and to government in general over the last 14 years to 15 years. Quite contrary to what the Hon. Member for Vegreville says, we do not sit here with any kind of delight at what the Liberals do when it comes to Petro-Canada or any other instrument of public ownership in the economy. We were critical of the way in which Petro-Canada purchased Petrofina, and we have been critical of other things Petro-Canada has done.

However, I wanted to put on the record that we do not oppose Crown corporations or public ownership on principle as the Tories now seem to do, contrary to their tradition, but we are critical of the way the Liberals have gone about doing this. In fact, the NDP was the first to bring up the recent Canadair troubles, even before the Tories. My leader, the Hon. Member for Oshawa (Mr. Broadbent), was the first to question the Government in the House on the latest debacle in Canadair.

Let us not pretend that it is only the Tories who are interested in the accountability of Crown corporations.

What, then, is the NDP's view on this, Mr. Speaker? The Hon. Member for Vegreville has initiated an ideological argument and I am going to give him that kind of answer. We are interested in both equality and community. We believe that both these concepts are central to our vision of the way things ought to be. Equality and community have to go together. This connection between the two is found in the name of the NDP's predecessor, the Co-operative Commonwealth Federation, which through the idea of a commonwealth went far beyond the notion of mere income redistribution, which so often passes for left-leaning, social economic policies these days, particularly on the other side of the House.

In the vision of the Co-operative Commonwealth Party equality would not only be possible but it would be cherished. People presumably would abandon the dehumanizing and undignified motives that economic competitiveness creates. In place of the law of the jungle which the Conservatives advocate we would have a truly civilized society based on co-operation with each and every person, according to their God-given endowment, making his or her creative contribution to the betterment of the human community and each, in turn, receiving what he or she needs out of the abundance created by that very same co-operative endeavour. It would be the brotherhood and sisterhood of the human family instead of the cut-throat individualism or the exploitive monopoly which is characteristic of capitalism these days.

In so far as cut-throat individualism has prevailed, we have seen an increasing breakdown of social purpose and sense of community, the very things the Conservatives lament. Indeed, if we are all just isolated individuals in the marketplace looking after number one, what sense does it make to use words like "social" or "community", the very concept against which this motion is directed? Socialization has everything to do with community and everything to do with people not just acting as individuals. Yet that is what the Conservatives oppose.

We have an economy which does not recognize such concepts, let alone take heed of them. We are simply to trust that all this organized selfishness will somehow lead to a happy ending.

I notice, Mr. Speaker, that I have driven a number of Tory delegates out of the balcony.

Some Hon. Members: Oh, oh!

Mr. Cullen: It is lunch time.

Mr. Blaikie: They have walked out in disgust. I can only surmise that I am touching some kind of nerve.

New Democrats know that organized selfishness is not the way to the just society. We all know that the kind of economy which we have and which we want to change is one in which many important human needs are neglected because there is no profit to be made in meeting such needs. Many unnecessary and harmful wants are created and encouraged through advertising and what is harmlessly called marketing.

Thus we are not half as surprised as our right-wing opponents that people do not want to do a good day's work any more. Why should they when they have been taught from day one that more for less is the ethic of our society? And when the companies they work for have records a mile long of putting their profit margins ahead of workplace safety and health, ahead of the general environment and ahead of the economic needs of the surrounding community, why should they? If there is to be a genuine, renewed sense of the value and the meaning of work, as there should be, then the renewal would have to be on all sides of the labour-management divide.

We are not half as surprised as our right-wing friends that people do not feel as much responsibility for others as they should and look to government to care for the inconvenient. It is their world view, not ours, which has glorified convenience and self-interest and created an economy in which many families are too geographically separated or too economically weak to look after the old, the disabled, the unemployable or the young.

We agree that a real human community would not have to look to government all the time. We want to set about building that kind of community. We can do it only through a fundamental change in our economy and through leaving many of the values we have learned from capitalism behind us. Instead, we see increasingly smaller groups of people acquiring more and more control over our economy and thus our very lives. This is called free enterprise by the Conservatives.

• (1220)

I refer to some recent mergers, such as Thomson taking over Hudson's Bay or the sweetheart monopolistic arrangements between Thomson and Southam which led to the demise of the Winnipeg *Tribune*. These are only two of many such undesirable incidents in the last few years. These mergers have been unproductive in terms of employment and have contributed to high interest rates. The only merger I could imagine being in favour of would be the one long dreamed of by the left in Canada, the merger and indeed the disappearance of Canadian Pacific into Canadian National Railways, thus socializing once and for all that great Canadian symbol of corporate greed and irresponsible power.

Monopoly means power, and the redistribution of power is what socialization is all about. As I said before, simply to redistribute income without power is not really enough. This is one fault among others of the welfare state. The same people are still in charge, whereas the goal of our movement is not just to see people prosper but also to see people enjoy more responsibility and control over their own lives. The most significant form of monopoly which we find today is that of the multinational corporation or the global corporation, as I prefer to call it. In such corporations we have institutions that are larger and more powerful than many nation states of the word. They blackmail. They play one country against another. They seek the weakest labour and environmental laws they can find.

They create needless markets to sell resources which would be better left unused. They finance governments favourable to their interests. They are power gone wild, power unaccountable, power which must be seen for what it is and broken globally through the election and subsequent co-operation of democratic socialists in all parts of the world. People must see the need for taking such a stand against these corporations which control such important things in our common lives as energy, information, food, finances—you name it.

In breaking the power of the multinationals, I have alluded to public ownership and the nationalization of such corporations, the very thing which is in many ways the subject of the debate today. Indeed it is established NDP policy to use public ownership as a tool for returning to Canadians power over their own economy. Basically, though, we are talking about social ownership as opposed to state ownership in particular. Social ownership is any form of ownership in which people themselves own the facilities for production, distribution and exchange. State ownership is but one category of social ownership which has been used and should be used more to overcome the injustices of certain monopolies such as automobile insurance, public utilities and energy resources, for instance.

We are reminded of the encyclical statement long ago by Pope Leo XIII, "anything which dominates the life of a community should be owned by the community". Just as important, there is a form of social ownership known as co-operative ownership. In this case not government but the people themselves own, operate and control certain enterprises. This is the form of social ownership I would like to emphasize.

I know I do not have enough time left in which to go into the subject, but I want to say that we in the NDP and those before us in the CCF never intended an economy in which the state owns everything. We have always believed in a mixed economy in which co-operative endeavour was just as significant as government or private sector activity. That is the truth about the political tradition out of which we come. That is the truth or one of the truths with which the Progressive Conservative Party has to reckon if it is to be honest with Canadians in the genuine debate about our economy which is so badly needed in the country. This motion is a political lie that contributes nothing to that debate. For that reason it deserves to be condemned.

Mr. Neil: Mr. Speaker, I have a question for the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie). I have been a Member of Parliament for quite a while. It seems to me that in the last year or two every time New Democratic Party Members rise to speak they begin to protest the fact that they have been accused of allying themselves too closely with the Government. They try to quote figures to indicate the number of times they have voted against the Government. But if we look at the record, we find that they have closely associated themselves with the Government on anything of a socialistic nature which falls in with the philosophy or the ideology of the NDP.

I listened with interest to the Hon. Member talking about free enterprise and public enterprise. I was reminded of his former Leader who ran around the country talking about corporate welfare bums, indicating that any corporation making money was a bum, whether it was small or large. That particular Leader of the NDP and his Party kept this Government in power for a good long time in a minority situation.

Mr. Keeper: Question.

Mr. Neil: I will put a question, but I understand this time allows for both comments and questions.

The Hon. Member for Winnipeg-Birds Hill talked about socializing Canadian Pacific. He is quite aware of the fact that Canadian National Railways for many years, almost during its entire life, has been a Crown corporation. Is there something magic about Crown corporations? Do they act any better than private corporations? Could the Hon. Member tell me why CNR basically operates in the same manner as the CPR? I have never heard CN officials talk about reducing tariffs or doing things to assist the public. They have been a drain on the public purse over the years. What is the difference between the CNR, a Crown corporation, and the CPR, a privately-owned corporation?

Mr. Blaikie: Mr. Speaker, that is precisely the point I would have made if I had had more time. Under the Liberal Government there has not been a heck of a lot of difference between public and private corporations. Indeed, CNR was formally instructed to act no differently from CPR ever since 1975 in particular when Otto Lang gave that instruction. I was trying to point that out as one of the differences between the NDP and the Liberal Party when it comes to public ownership.

Take Petro-Canada as another example. We believe that if it acts no differently from Shell or Gulf, then what is the point of public ownership? Sure, the profits stay here in Canada, and that is not to be taken lightly.

Mr. Neil: What profits?

Mr. Blaikie: Far too much of the wealth exploited by foreign and domestic private companies over the years has not been reinvested in Canada. But Crown corporations have to be different in many respects. I would like to indicate just a few ways in which they have to be different. They have to be leaders in the perfection of occupational safety and health. They must be willing to experiment with different models of worker input and decision-making. They have to be more obedient to the laws of the environment and the need for industrial development to respect ecological principles and that sort of thing.

We do not have Crown corporations which do that. This is why we stand in judgment over the kind of public ownership the Liberal Government has developed. If Petro-Canada is drilling in the Beaufort Sea without the techonoloby to clean up a spill, that is every bit as morally reprehensible as Gulf doing it.

Mr. Neil: I do not think the Hon. Member has answered my question. He talked about worker safety and so on. As far as

CN is concerned, it has a reasonably good record. It is unionized, and I think many of the things about which he talked have in fact happened. How would the Hon. Member treat CN if his Party were in power? How would he make it function more efficiently and more effectively? How would he make it more competitive with CPR?

Mr. Blaikie: The word "efficiency" begs all kinds of questions because it is not as if everyone agrees on what constitutes efficiency. We do not think the abandonment of branch lines is efficient in terms of its larger social impact, yet according to certain economic models it is very efficient.

• (1230)

That is the kind of debate that has been going on in this House over the last few weeks about the Crow rate and what actually constitutes efficiency. In the first place, we would not have to worry about the CNR being competitive with the CPR because we would merge the two into one railway. We would have that railroad serve the social and economic well-being of the country. It would operate according to a criterion of efficiency which took into account social and environmental factors as well as economic factors. If you do not take those other factors into consideration, you are not talking about efficiency. You have to judge efficiency over the long term, not just the short term; for example, the profit margin in the latest quarter.

Mr. Taylor: The Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) mentioned that the profits of PetroCan stay in Canada. A few years ago I heard Liberal and NDP speakers say the same thing about Canadair. Will the Hon. Member tell us what happened to the profits of Canadair? Are the people better off because it was operated by Government rather than private enterprise? If there were losses, they would not then come out of the pockets of the taxpayers. Would the Hon. Member outline that for me so I will be aware where the profit of PetroCan is so far? How much profit has it made and where is it?

Mr. Blaikie: Mr. Speaker, I maintain that the profits which Crown corporations generate are more likely to be reinvested in Canada than the profits of multinational corporations. I stand by that. If a corporation like Canadair has not made a profit, that does not contradict my argument. It has something to do with the way Canadair has been managed and the way the Government has mishandled the whole affair. It is not evidence against my argument that when profits are generated and there is good management, those profits are more likely to be reinvested in Canada. Think logically for a change. I quite agree with the Hon. Member's condemnation of the way Canadair has been handled, but that is not contrary to what I have been maintaining.

Mr. Taylor: Mr. Speaker, I would like to ask one more question. Does the Hon. Member believe that today there is sufficient accountability of PetroCan to the Parliament of Canada?

Mr. Blaikie: Mr. Speaker, no, I do not. That was the point I made in my speech. Both as a New Democrat and as one who had the opportunity to study this issue in the Special Committee on Standing Orders and Procedure, I have stated there is not enough accountability of Crown corporations to Government and I am concerned about the many quasi-government agencies that are proliferating and which need to be made accountable to this Parliament. We do not disagree on the need for more accountability. Where we disagree is on whether we are going to use that lack of accountability which exists to attack the existence of these instruments of public policy on principle, or whether we are going to make them accountable and thereby make them better instruments of public policy. Our second disagreement is whether we are going to make private power in this country as accountable to the common good as the Hon. Member and I want to make public power. That is where we disagree.

I wish to comment with respect to an element of a question asked before which I did not answer regarding the taxpayers having to pick up losses of various Crown corporations. Let us not kid ourselves. When private corporations suffer losses, somebody picks up the cost of those losses. People either pick up these losses as taxpayers then they are Crown corporations, or pick them up as consumers if it is a private corporation. When private corporations suffer a loss, they do not assume that they cannot pass on that loss through the marketplace. It works its way into the marketplace. Let us not be naive about the way the marketplace works.

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, today we are dealing with a Government that often talks about the rights of Canadians. When the Prime Minister (Mr. Trudeau) finally goes on to his retirement, and it will certainly be a well justified retirement, one thing he will want to be remembered for is the Charter of Rights and Freedoms which guarantees Canadians specific rights. It is possible to talk about rights and it is possible to enshrine the principle in the Constitution. However, this Government acts in a hundred different ways to undermine those rights. It daily circumscribes the rights of Canadians, daily confiscates their wealth and their income, daily restricts their ability to watch what they want to see and listen to what they want to hear, and daily prevents them from exercising what we as Canadians feel to be our most basic freedoms. This is what we have seen done by this Government, particularly since 1980. We have seen it in many different ways.

The Government has made an attack upon the basic freedoms of Canadians. When the Prime Minister retires from office or, more appropriately, when he is retired from office, we will find that Canadians are less free than they were at the time when he came to office in 1968.

In no area is that more conspicuous than in the case of freedom of the press in Canada. Read the Charter of Rights and Freedoms. Lip service is paid to the right of freedom of speech. Lip service is paid to the right to a free press. Indeed, the two are inseparable. In many ways what this Government

has done is to attack one of the most basic liberties of Canadians, one of the most essential rights that any Canadian must have if our democracy is to survive and flourish.

There are a number of different ways in which the Government has done this. This is the first Government in the history of Canada ever to launch a raid on a newspaper under the Official Secrets Act. It was done by this Government against the Toronto *Sun* when it did not appreciate the fact that the *Sun* was publishing documents on the extent of Soviet subversion in Canada. Therefore, what it did was to sic the RCMP on the *Sun*. It is the first time in our history that this was done.

This is a Government which has threatened the publicly-funded CBC on more than one occasion, including one case where the Prime Minister threatened to put the lid on Radio-Canada if it did not change its coverage because it did not like the people who were giving coverage to events.

This is a Government which has set aside a massive war chest, unparalleled in the history of Canada, for propaganda—often very highly partisan propaganda—to sell a contentious, disputed point of view and to ensure that when it cannot earn good publicity in the nation's news media, it will buy it. It will bypass the news media, using it simply as a vehicle for going directly to Canadians with their tax dollars, trying to persuade Canadians that the Liberal point of view is right.

There is nothing in the law which prevented previous governments from doing that. The only thing that prevented previous governments from abusing tax dollars in that way was a sense of self-restraint, moderation and decency, a respect for the Canadian way of life.

Many of our freedoms as Canadians over the years since Confederation have depended upon the willingness of governments to recognize that fundamental reality. Part of what makes us Canadian is our respect for the rights of one another and the unwillingness of people who have power to abuse power and to take away the rights of others. That was the case and it has worked well until this Trudeau Government came to office.

What we have found in recent years is a steady accretion of power in the hands of a few and a steady diminution of the rights of Canadians and of liberties which we have historically taken for granted. The Government is about to embark upon a new assault on freedom of the press in Canada. The Minister of State for Multiculturalism (Mr. Fleming) has been waging a one-man war against Canada's daily newspaper industry. In the past few days he made a speech in which he said that before the end of this month the Government will be tabling legislation which will hobble or control the daily newspaper industry in Canada. It will regulate the ownership of daily newspapers and affect the ability of newspaper to do their job.

It is essential if our democracy is to function well that we have a press that is free and unfettered. Even when the Minister of Consumer and Corporate Affairs (Mr. Ouellet) does not approve, as he sometimes does not, that right must still be exercised by the fourth estate to hold the Minister to account. It will shine light into areas of government administration where the Government does not want the public or the news media to go.

• (1240)

Mr. Ouellet: Have you seen your psychiatrist lately?

Mr. Beatty: Do you see, Mr. Speaker, what happens when one points out the mentality that there is on the part of the Liberal Government? Do you see, Mr. Speaker, how particularly the Minister of Consumer and Corporate Affairs vociferously indicates that there is no way that this could be the case?

Mr. Fisher: He is right, you are wrong.

Mr. Beatty: You can tell a guilty conscience when you see one, Mr. Speaker. No one should have a more guilty conscience than this Minister, who has consistently attacked the independence of Radio-Canada over the years and has shown by his own actions that he has no regard for the need for independence of the news media and for the need for a free press in Canada.

Mr. Ouellet: You are sick. I attacked separatists.

Mr. Fisher: He is protecting Canada.

Mr. Beatty: Mr. Speaker, we have a Government that is incapable of distinguishing between the national interest and its own interest. It cloaks its actions by saying that everything it does is in the national interest, yet everything it does is calculated to be in its own interest. What is seen time after time, both in the House of Commons and across the country, is that any Canadian who dares to challenge the Liberal Government, any Canadian who dares to question the policies of the Liberal Government or their actions, finds his Canadianism impugned and is told that he is a bad Canadian and that somehow he is doing a disservice to his country because he does not agree with the Liberal Government. This is the attitude that the Liberal Government has shown toward the press.

As a result of the Kent Commission, which was set up after the simultaneous shutdowns of the Ottawe *Journal* and the Winnipeg *Tribune* and which made broad and sweeping recommendations that would have seen an extremely dangerous intrusion by the Government into the daily newspaper industry in Canada, we found that the Liberal Government used this as a Trojan horse to get its foot in the newsroom door. In the future the Government will control the ability of people or organizations to buy a daily newspaper. It will give direct grants to daily newspapers in order for them to open new bureaux, something that was systematically rejected by every reputable news organization in the country because those news organizations did not want to be beholden to the Government or its friends. The Government will set up a Government-sponsored and Government-funded press council to pass judgment on the nation's journalists. The first chairman and vice-chairman of this Government-funded press council will be appointed by the Government and the funding will come from the Government. It will create a convenient vehicle for the

Government to use at any time when it needs an excuse to enter further into the daily newspaper industry in Canada. What could be a more dangerous attitude on the part of a Government that professes to respect freedom of speech and freedom of the press?

I invite Members of the Government at large to ask themselves this question: Where freedom of the press has died around the world, has it died because of neglect by government or has it died because of too much involvement and control by government? In every single instance in the history of the press around the world, the single greatest threat to a free and unfettered press has been a government that believes it has a monopoly on truth, that it has the responsibility of sitting in judgment on journalists and that it has the right to ensure, through whatever method it wishes, that its particular point of view prevails. Because of this measure, that is what we are seeing happening today. The Government, Mr. Speaker, has used the taxpayers' money, it has used intimidation, and now it is prepared to use the law to attack one of the most basic liberties that all Canadians must enjoy if our democracy is to flourish.

I have a copy of a confidential document that was prepared by the Minister on March 31, 1982, and is marked "Minister's Eyes Only", in which the Government analysed the Kent Commission proposal. One of the problems found with the Kent Commission proposals was that they might be largely unconstitutional and illegal. The Government backed off somewhat and made other proposals. Interestingly enough, Mr. Speaker, this document has never been officially released by the Minister or made available to Parliament because he does not want Canadians to see it.

In its own document, the Government raises very serious questions as to the legality of its own proposals. For example, Mr. Speaker, I mentioned to you earlier that the Government had a proposal for review if a non-media company wanted to purchase a daily newspaper. The Government proposed that a non-media company must go before the Restrictive Trades Practices Commission and justify to Government appointees that the purchase of a newspaper would be in the public interest. Well, I know what the Liberal Government means when it refers to the public interest; it means the interest of the Liberal Party.

On the bottom of the page that deals with this proposal, the Minister, in his "Minister's Eyes Only" document, says that even this review process may be struck down by courts. The Government is preparing to introduce in Parliament legislation that, according to the Minister's own documents, may very well be illegal and unconstitutional. Indeed, there are serious doubts as to whether the whole of the initiatives being taken by the Government may first contravene the provisions of the Charter of Rights and Freedoms which guarantees freedom of the press in Canada, and second, and even more probably may very well violate the separation of jurisdiction provisions in the Canadian Constitution.

The Minister of State for Multiculturalism, who is responsible for these proposals, has not released and will not release any legal opinion that he has received on this question. The closest thing that we have to a legal opinion is this internal document which indicates that he himself recognizes that his proposal may be illegal. He will not release it. He will claim solicitor-client confidentiality if we ask him for that document. It may also be that he has never asked for any official legal opinion from the law officers of the Crown. But one thing is certain. Parliament will not be allowed to see that document.

I have asked the Library of Parliament and its research branch to prepare a paper on the division of powers implication of the Kent Commission and the Minister's proposals on press ownership. That document is available to Parliament, to Canadians at large and to anyone who has an interest in it, including the Minister. The conclusion reached by that document is that there is a very serious question as to the constitutional right of the Government to act in the way in which it is proposing. It concluded that there is serious doubt as to whether in fact the Government has the jurisdiction that it claims it has. For example, the conclusion reads:

> From the above, it can be seen that it is by no means clear that the central government has the legislative authority to enact the proposals of the Commission.

It refers there to the Kent Commission.

> The best arguments for jurisdiction would seem to relate to the central government's power to regulate or restrict competition. This, however, creates a problem for the Commission, because if the basis for the claim of legislative jurisdiction is the control of competition, the proposals may suffer the same emasculation that the merger provisions presently found in the Combines Investigation Act have undergone.

Further, the paper concludes this:

> Specifically, it may be concluded that:
>
> 1) The proposals of the Commission dealing with concentration of ownership on the basis of market shares and the divestment requirements related thereto do not fall clearly within the legislative competence of the central government. This would apply as well to the Fleming proposal on non-media ownership. On the basis of the legislative competence of the central government and the provinces to deal with competition, trade and commerce, property, and civil liberties, the jurisdiction to enact these proposals is at best shared between the two orders of government.

It goes on to deal with other aspects of the question as well. This legal opinion, Mr. Speaker, is available to Parliament. It is available to the Canadian people. I challenge the Minister of State for Multiculturalism, when he introduces his odious Bill, to introduce a legal opinion as well which will indicate the constitutional validity of what he is proposing. I invite him to refer to the Supreme Court the Bill that he will be introducing to see whether in fact he is making a serious attack both on the freedom of the press provision of the Charter of Rights and on the constitutional division of powers which are so important to the Canadian federal system.

The Government will not do as I have suggested. Instead, it will attempt to introduce legislation and to ram it through the House of Commons. That will seriously restrict the rights to freedom of the press in Canada. It is a proposal that will be fiercely resisted by Members on this side of the House who believe in a free press. As well, it will be fiercely resisted by Canadians at large who recognize that nothing could be more dangerous to our system of Government than to have the

Government's foot intruding into the doors of the newsrooms of the daily newpapers of Canada.

In his very powerful and disturbing novel, "1984", George Orwell wrote about the way in which politicians could corrupt the English language. As well, he dealt with that subject in many of the other pieces he has written. He pointed out that often the most innocuous of terms are used by politicians to throw a veil over the most odious of actions. By co-opting language which was positive, by misusing it, by perverting the language and by making it mean something it was never intended to mean, they were able to mask actions which the public at large would refuse to accept if they were honestly presented.

• (1250)

Nowhere could there be a better example of what Orwell was referring to than for a Government, under the guise of legislation dealing with freedom of the press, ostensibly to enhance freedom of the press, to bring in measures which would make the press financially beholden to that Government, make it so that potential purchasers of news outlets would have to win the favour of the Government before they could act, and make the actions of working journalists subject to scrutiny and review by a government-sponsored and, in large part, government-appointed press council. What could be more dangerous than that? What could be a worse corruption of language than that which, in its face, seems straightforward? If Orwell were here today I think he would be amazed to find how well the Government has learned the techniques he warned about in passage after passage.

If we are to preserve the freedoms of Canadians, it is essential that we begin now to prevent any action by the Government which will chip away, erode, undermine or circumscribe those fundamental freedoms.

It should be pointed out to the Government that it is ironic that at the very same time as it laments the fact that there are fewer daily newspapers in Canada, it has made no positive proposals that would increase the number of dailies. It has not suggested changes to tax legislation which would encourage advertisers to use the newspapers. It has not proposed changes in legislation that would allow the heirs to independent daily newspapers to be able to hang on when the owner dies and so continue the ownership. Instead of spending money on direct grants to newspapers, the Government has not proposed fellowships for journalists or an increase in funding for journalism schools in the country. These were not concerns of the Government; its concern was the control of a dwindling number of dailies in Canada.

At the same time as the Minister of State for Multiculturalism complains about the shrinking number of dailies in the country, successive Ministers of Communications have done everything they could to impede the ability of Canadians to see and hear what they would like on their radio and television stations. On the one hand the Government argues that diversity is essential; on the other hand it has consistently tried to prevent that diversity.

Finally, I think I should bring to the attention of the House a statement which perhaps explains better than I can a concern that many people in Canada have about what the Government is doing. When the Minister of the Environment (Mr. Roberts) was Secretary of State, he delivered an address to the 20th General Assembly of UNESCO. He said this:

> On every continent there are some people who think that governments should regulate journalists, should tell them, in the public interest, what to write, or should pass judgment on their accuracy. Canadians do not believe that either politicians or public servants should have anything to say in the management, direction or correction of the media. Quite the contrary. In their view, only a free press can guarantee that the decisions of the state power are in harmony with the wishes of the people. Governments have no means of knowing what the needs of society are for its own well being, unless they are told by an informed public.

None of us here today, Mr. Speaker, could have expressed the importance of a free and unfettered press better than did the Minister of the Environment. The onus is on Members here today to take that message to heart and resist attempts by the Government to shackle the free press that is so important to our democracy.

Mr. Breau: Mr. Speaker, the Hon. Member started off by saying—and I believe I paraphrase him correctly—that when the Prime Minister (Mr. Trudeau) retires the rights of Canadians will have been lessened if you compare them to what they were in 1968. The Hon. Member acknowledges that I am quoting him correctly. He is either being grossly partisan or is guilty of a grave oversight. I wonder how he could say that about language rights unless he does not consider language rights to be important human and social rights.

How can the Hon. Member be so hypocritical when his Party tried for weeks and months—and buckled under the presure of the Provinces—to resist the enshrining of a Charter of Rights in our Constitution?

The Acting Speaker (Mr. Corbin): Before recognizing the Hon. Member I wish to remark that I saw him frown at the use of a certain word. That word is in both lists but nevertheless I would caution the Hon. Member for Gloucester (Mr. Breau) and all Hon. Members about the choice of words when referring to other Hon. Members.

Mr. Beatty: Mr. Speaker, I find it a novel construction by the Hon. Member that we should measure the totality of rights in Canada on the strength of what the Prime Minister did on language rights. He has shown strength on language rights in Canada but in so many other areas he has either refused to act or has circumscribed important rights.

Mr. Breau: Oh, oh!

Mr. Beatty: The Hon. Member asks a question and then attempts to drown out the answer. One of the most fundamental rights in Canada is the right to free speech in Parliament, yet the Hon. Member would try to drown me out when I answer his question.

I pointed out one of those areas. A fundamental right is a right to a free and unfettered press. We find that the Government is going in exactly the opposite direction.

Another right is property rights which have been systematically undermined by the Government. The Hon. Member for Gloucester mentioned the Charter of Rights. In committee I moved an amendment which would have included property rights in the Charter of Rights. Initially I had the agreement of the Liberal Government that it would allow the amendment to go forward. The Hon. Member referred to buckling. Under pressure from the NDP the Government—

Mr. Fisher: And the Provinces.

Mr. Beatty: —did a back flip and buckled and decided to vote against enshrining property rights for Canadians. It attempted to confiscate the property of Canadians in many instances, the back-in provision for Petro-Canada being just one example, and refused to take any action which would have protected property rights in the Constitution. It voted against such a provision.

The Hon. Member now has the temerity to say that because language rights have been broadened during the term of the Prime Minister, somehow Canadians are more free today than they were before the Prime Minister came to office. This is the Prime Minister who jailed Canadians without warrants for their arrest and who operated on the basis of secret information.

Mr. Ouellet: That is untrue.

Mr. Breau: Mr. Speaker, the Hon. Member talked about the danger of providing assistance to newspapers. I share his concern in that regard. I wonder if he is aware that in an election campaign in New Brunswick last fall, a Tory Premier and now one of his senior ministers indicated that the Government of New Brunswick would provide provincial guarantees and whatever assistance necessary for a French language paper in New Brunswick despite the fact there is a private group with totally private money that wants to start a French language paper there. How does the Hon. Member square that, or does he totally disagree with the policy of Premier Hatfield in that regard?

Mr. Beatty: Mr. Speaker, let me turn the question back to my hon. friend. Apparently he disagrees with Premier Hatfield's position of direct financial assistance to newspapers. When the Minister of State for Multiculturalism introduces legislation in the House, as he says he will before the end of the month, will the Hon. Member have the courage to stand in his place in this House in an area where he has jurisdiction—I do not have jurisdiction in New Brunswick but he has jurisdiction in the federal House—and vote against that dangerous and odious provision?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I find it hard to understand why the Hon. Member spoke to the House for about 20 minutes about a Bill that has yet to be tabled in the House. He cannot speak with any measure of certainty about the contents of a Bill that has not even been drafted. He does not know what its provisions will be nor what those provisions will cover. Consequently, the Hon. Member's speech is purely hypothetical, and there is nothing he can state with any degree of certainty. However, he has revealed to us his tormented soul, his fears and, I assume, his personal problems. He feels persecuted, and thinks the Canadian press is persecuted as well. I think it is all in his mind, Mr. Speaker. In fact, I think the whole situation is rather bizarre, and perhaps I may ask him when he last saw his psychiatrist.

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

SHIPBUILDING

MEETING AT VICTORIAVILLE, P.Q.—AWARDING OF FRIGATE CONSTRUCTION CONTRACT—SCAN MARINE AND DAVIE SHIPBUILDING

Mr. Gaston Gourde (Lévis): Madam Speaker, yesterday, the Members for Beauce, Lotbinière, Bellechasse and Frontenac (Messrs. Lapointe, Dubois, Garant and Corriveau) and myself had a meeting with economic partners from the Quebec south shore and the Minister of National Defence (Mr. Lamontagne), who is responsible for this region.

The meeting, held in Victoriaville, was organized as a follow-up to the meeting held last year in Lévis. Twelve briefs were submitted, in which the emphasis was on the disastrous situation in the textile and garment industry, a sector that is being severely affected by imports, for which controls are being sought. A number of economic partners were also concerned about the role of the Federal Business Development Bank and felt that the Bank's role with respect to small- and medium-sized businesses should be redefined.

Three briefs were submitted in which organizations from the Quebec south shore expressed their support for the efforts being made by Scan and Davie to obtain the Canadian Forces frigate contract. There were also lengthy discussions on forest rehabilitation and reforestation. As was the case last year, all briefs will be routed to the decision-making levels of the Canadian Government, and replies will be sent to those who

came personally to explain their positions and make representations.

Last year, nine out of fourteen cases were dealt with satisfactorily, while the remaining ones are well on their way to being solved. We intend to repeat this experiment next year for the benefit of all individuals living in the ridings represented by the group of Liberal Members from the Quebec south shore.

* * *

[*English*]

AGRICULTURE

NEW EVALUATION OF FARM LAND SOUGHT

Mr. Mel Gass (Malpeque): Madam Speaker, I would like to address a topic of concern which was brought to my attention by the Prince Edward Island Women in Support of Agriculture, regarding farm evaluation. In their annual meeting held on April 13, 1983, the Women in Support of Agriculture passed a resolution which stated:

Whereas farm evaluation has not been revised since 1971, and whereas the rate of inflation, having escalated in the past 12 years, if a farmer sells his farm in 1983 the capital gains tax will be exorbitant, be it resolved that we approach our Members of Parliament and our Members of the Legislative Assembly to request a new evaluation, and by so doing have the capital gains tax lowered.

I support this resolution 100 per cent, Madam Speaker, and feel that capital gains tax should not be assessed to farmers. The policy of the Progressive Conservative Party in the elections of 1979 and 1980 stated that the first $200,000 would not be taxed for capital gains on the sale of a farm.

I join with the P.E.I. Women in Support of Agriculture in urging a new evaluation of farm land, considering how land prices have soared due to inflation since 1971, the last evaluation year. If a farmer sells his land today, his capital gains tax will be exorbitant. I urge that this escalating situation be corrected as the agricultural system is being adversely effected by high property taxes and high capital gains tax. I urge that the Minister of Agriculture (Mr. Whelan) realize the importance of this issue.

* * *

NEW EMPLOYMENT EXPANSION AND DEVELOPMENT PROGRAM

EMPLOYMENT OF OBSERVERS ON FOREIGN FISHING VESSELS

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, my colleagues have spoken several times before in this House, denouncing the Government's abuse of the NEED Program. Obviously their words were not heeded, because this abuse continues to spread. In a couple of weeks the over-the-side herring sale program will be getting under way in the Bay of Fundy. The Department of Fisheries and Oceans traditionally provides observers on the foreign vessels whose owners are here to buy fish from our fishermen. This year, however, those observers are not being rehired. Instead these duties will be performed by workers on a NEED grant.

The lion's share of the work done by these observers is troubleshooting any problems which arise between our fishermen and the foreign vessel owners. This kind of work requires a 24-hour a day commitment for extended periods, in unfamiliar and sometimes hostile and unpleasant conditions. Can we really expect the recipients of NEED funds to put up with these kinds of conditions for only $200 per week? It is quite possible that many of them do not know they are getting into. A similar program tried a few months ago with Canadian offshore vessels fell apart after a couple of weeks because many of the participants resigned after they found out what the conditions were like.

The Government is using the NEED Program to replace higher paid skilled workers with lower paid untrained ones. It is becoming a restraint program, not a job-creation program. In this case our fishing industry could suffer seriously.

* * *

MINERS' MEMORIAL DAY

CELEBRATION OF CAPE BRETON'S MINING HISTORY

Mr. Dave Dingwall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, as the sitting Member for Cape Breton-East Richmond, an area proud of its coal mining tradition, we approach Miners' Memorial Day, on Saturday, June 11, 1983, with a sense of pride and a sense of sorrow. On this date we are reminded of the history of coal mining in Cape Breton and of the role coal mining has played in the shaping of our community. Mining on the Island dates back to 1720. Many technological advances have evolved since then. While mining methods have changed over the years, the unique qualities of the miner, which can be best described in one word, courageous, have not.

The struggle of the miner has not been without adversity. We remember the fight to bring in the United Mines Workers of America and the infamous strike of 1909-1910; the six years of protest culminating in the strike of 1925 and the tragic death of William Davis, killed 58 years ago; the Number 12 mine explosion of 1917, and more recently, the explosion in 1979. Over the years there have been triumphs and disasters. At this time we remember the contributions made by all miners and their families, and honour those who lost their lives.

Some Hon. Members: Hear, hear!

* * *

CROWN CORPORATIONS

DEMAND FOR ACCOUNTABILITY TO PARLIAMENT

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, Crown Corporations were brought into life with the

noble objective of pursuing the public interest. As instruments of public policy they have played a key role in our nation's development. However, during the last 16 years, we have witnessed unlimited expansion of state owned agencies and ever increasing government involvement in the Canadian economy. This sub-government of state enterprise has resulted in Crown Corporations becoming increasingly less accountable to the people, while their financial operations have continued to grow exponentially. Canadians have been denied the right to scrutinize their operations through this Parliament.

The recently introduced Bill C-158 is a further example of the Liberal attempt to prevent Parliament from exercising its fundamental responsibility. CDIC, a newly established Crown Corporation, is to be granted powers which would allow it to delve into Canadian business and spend the taxpayers' money without adequate control on the part of Parliament. The public interest requires that this House oppose the Liberals' policy of doing indirectly what they cannot do directly.

* * *

DISARMAMENT

ORDER TO DISMANTLE PEACE CAMP ON PARLIAMENT HILL

Mr. Neil Young (Beaches): Madam Speaker, since mid-April a group of young Canadians has been camping out for peace on Parliament Hill. When they first began their vigil to protest Cruise missile testing in Canada, they encountered tremendous odds from forces beyond anyone's control. They spent nights huddled while freezing rain, driving snow, and hail fell all around them. They did all this without benefit of tents, which they were told they could not erect on the grass of Parliament Hill.

Now, forces beyond their control—but not beyond Parliament's control—have decreed that the Peace Camp be dismantled today at four o'clock. In a hand delivered letter today, the protesters were told to pack up their sign and cart off their information table, ostensibly because there is not enough room for peace protesters and tourists on Parliament Hill.

There are Ministers in this House who sympathize with the protesters outside. And there are Ministers in this House who have the power to reverse the decision of the House of Commons administrator from whom this directive to disband emanates. These protesters do not want to leave the Hill, and I and my colleagues in the New Democratic Party support their right to be here. We believe their protest is a legitimate protest being which is carried out in a non-violent and legitimate fashion. The arguments about the Peace Camp being a threat to security, or an eyesore and nuisance to tourists, do not wash with us. What is happening here is the suppression of the individual's right to freedom of speech—

Madam Speaker: Order. Order, please. The Hon. Member, of course, is entitled to make a statement at this particular time. However, I must tell him that whatever takes place on the grounds outside the House of Commons does not come under my jurisdiction, nor under that of the administrator.

S.O. 21

HEALTH

LEUKEMIA RESEARCH—NECESSITY FOR FUNDING

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, through its grant program the Medical Research Council provides support for research projects in health sciences whether basic, applied, or clinical.

Currently, at Princess Margaret Hospital in Toronto, and at a number of selected centres in Canada, bone marrow transplants are being carried out for leukemia patients. This is a well controlled, collaborative study designed to improve transplant techniques and to evaluate the benefit of transplants in comparison with conservative management. Preliminary results are most promising and encouraging, but it will be another two years before it can be said whether transplants will make a significant breakthrough in the search for a leukemia cure.

• (1410)

This study is seriously jeopardized by the small number of available medical research grants in Canada whether private, provincial, or federal in origin. In the current year 916 projects were submitted to the Medical Research Council. Seven hundred and twenty were considered worthy of funding, but only 92 were given grants due to budget constraints. The award rate was therefore 10 per cent. It had never been below 25 per cent in previous years.

Canada is fortunate in having dedicated, outstanding scientists in the field of medical research. One such medical scientist working on the marrow transplants for a leukemia cure in Toronto has M.D. and Ph.D. degrees with nine years of research experience. He and his kind are deserving of the full support of our Medical Research Council. Funding should not be limited to only 10 per cent of Canada's pool of gifted and trained—

Madam Speaker: Order.

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AGRICULTURE

CONDEMMATION OF GOVERNMENT POLICIES AFFECTING FARMERS IN WESTERN CANADA

Mr. Lee Clark (Brandon-Souris): Madam Speaker, there is a very real crisis in western Canadian agriculture today, due to a number of factors. A combination of rising costs, declining grain prices, disastrously high interest rates, and inadequate Government policies, have forced many farmers to the verge of bankruptcy.

Unfortunately, the Government's energy and transportation policies have added substantially to this problem. While many improvements are needed, two changes can be made immediately. First of all, the farmers' very substantial operating costs can be and should be reduced by abolishing the 9 per cent federal sales tax on farm fuels and fertilizers.

Some Hon. Members: Hear, hear!

Mr. Clark (Brandon-Souris): Second, the prairie farmer must be guaranteed that his transportation costs never exceed the long term average. During the last quarter century prairie wheat farmers have paid transportation costs which averaged approximately 7 per cent of the initial price, and any safety net which is to be established must never exceed that percentage.

Madam Speaker, I wish to inform all the Members of this House, through you, that western Canadian farmers are very disappointed in the Government's agricultural policies. The proof for that statement lies in the fact that those policies were supported by only 17 per cent of the electorate in the recent by-election in Brandon-Souris.

Some Hon. Members: Hear, hear!

* * *

WESTERN GRAIN TRANSPORTATION ACT

SUPPORT FOR PROGRESSIVE CONSERVATIVE PARTY AMENDMENT

Mr. Gordon Taylor (Bow River): Madam Speaker, the Right Hon. Prime Minister (Mr. Trudeau) and the Minister of Transport (Mr. Pepin) have stated in the House a number of times that they wanted consensus in the West on changes to the Crow rate policy. The freedom of choice amendment recommended by the Progressive Conservative Party and the Hon. Member for Vegreville (Mr. Mazankowski) in this House is an acceptable framework for agreement.

This amendment has received wide acclaim in western Canada, and at public meetings the vast majority of a cross-section of farmers, almost unanimously, supported the concept. This is understandable, as the freedom of choice option goes right back to basic democratic principles; the people who have to live with the program decide what the program will be. Real democracy! Producers themselves will decide whether their share of the Crow shortfall will go to the railways or to the producers. The producers choosing to take the shortfall themselves will then decide to use the railway or the trucks, or feed their grain to livestock. This freedom of choice will hurt no one but will be a unifying force in Canada. The program will provide the instrument which will permit all industries in the West to reach their real potential, and it will hurt no one in any part of Canada.

I urge the Government to accept this amendment. It will do much to unite Canada. The freedom of choice concept will guarantee the consensus which the Prime Minister and the Minister of Transport said they were seeking.

ORAL QUESTION PERIOD

[English]

LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I would like to ask a question of the Minister of Transport relating to the problem of the West Coast grain handling dispute. As the Minister will know, grain exports account for billions of dollars and are very important not only to western Canada but to the whole economy as well. I understand that there has been no negotiation between either labour or management since June 1. I wonder if the Minister can give us an update regarding this very critical situation on the West Coast.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I might reply on behalf of the Minister of Labour who is still overseas, but who, we all hope, will be back very soon. The situation in relation to the West Coast problem is still that the two Parties must make a decision that they want to arrive at a settlement. We have responded to their telegram, suggesting to them that any attempt to introduce mediation or conciliation must first be preceded by a clear example that they themselves are willing to come to the table and get down to bargaining so that an arrangement or decision can be made in that kind of spirit. There is no point in intervening someone in that particular situation until both parties clearly demonstrate their own willingness to arrive at an agreement.

REQUEST THAT NEGOTIATIONS BE UNDERTAKEN

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I would point out to the same Minister that the Government has a responsibility in that, in 1974, through the Neil Perry Report it gave parity with longshoremen to the grain workers. As of last year, 1982, there has been a conflict because the Government imposed a six and five package on grain handling companies Therefore the Government has a responsibility in this situation because there is a conflict of Government policies which both parties are trying to work out. Would the Minister reconsider his position so that the Government would become involved, either by appointing a commission or a board to become directly involved, to ensure that some face to face negotiations take place again between labour and management?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I think we in this House are all deeply concerned that an agreement be reached. No one, in any way, wants to witness the kind of blockage of transportation of our grain which has happened in the past. However, I must say that absolutely no good is being served by members of the Opposition standing up in the House trying to negotiate a settlement across the floor of the House of Commons. The negotiation must take place between the parties to the dispute. That is what collective bargaining is all about.

GOVERNMENT RESPONSIBILITY

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I point out to the Minister that it is not a question of any good being done by the Opposition. The reason that we are asking the Minister to do something is because the Government is doing no good in this situation.

Mr. Lalonde: Question.

Mr. Mayer: I would further like to ask the Minister why the Government is so reluctant to become involved because, as I understand it, as of about an hour and a half ago, both parties were willing to sit down and negotiate.

Mr. Lalonde: Why don't they?

Mr. Mayer: Both parties would be willing to accept a mediator. As I understand it, this is the first time in 30 years that a Minister of Labour has refused to become involved by either appointing a conciliator or a board. May I ask the Government to reconsider, to become involved, and to show some responsibility in this very important situation?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, the Minister of Labour has always indicated his full willingness to respond to the requirements of the situation, and so has the Government of Canada. If the Hon. Member's reports are, in fact, accurate, that there is now a willingness to move toward the negotiating table, then I am sure the Minister of Labour will be in a position to respond to the request. However, I would say that it is important that the parties to the dispute indicate their willingness, because they are the ones who must ultimately come to the table and make the agreement. Therefore, when we hear from both parties that they are prepared to respond in a constructive and positive way, obviously the Government will be prepared to do likewise.

Mr. Mayer: They are ready to do it now.

CONTINUANCE OF GRAIN SHIPMENTS

Hon. James A. McGrath (St. John's East): Madam Speaker, I would like to direct my question to the Minister of Transport since the Acting Minister of Labour does not seem to have a feel for the urgency of the problem at all. I direct it to him in the absence of the Minister. The Minister knows that there was no grain handled last weekend. He also knows that, because of the keenness of competition in the world market, any threat of a shutdown is seriously impeding the market at a very difficult time for western grain farmers. I hope the Minister of Transport understands that fact. I want the Minister to tell the House what steps he is taking to ensure that grain will continue to be handled on the West Coast this week, and then throughout the rest of the month.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I can only repeat the spirit of what the Minister of Employment and Immigration has said. I answered a question yesterday in the same way. There has been an assessment by the Department of Labour that the best way to proceed at this time is to let the parties get together and find their way out of this situation. That is an assessment and a decision made to go that way. I am told, at the same time, that there is not a stoppage in the handling of grain facilities at the ports. Therefore, the position taken by the Government is a conscious one. It is not one which is without reflection. It is one which was arrived at after deep analysis of the situation. I take comfort in the fact that the employees have said that they do not want to strike and the employers have said that they do not want to lock them out. That has all the makings of an agreement.

• (1420)

REQUEST THAT MINISTER INTERVENE

Hon. James A. McGrath (St. John's East): Madam Speaker, the Government has a responsibility. It cannot continue to reach for the silver bowl. There was a refusal to handle grain last weekend, there is a possibility of a work to rule and a lock out, all of which is having an impact on the world market, which impact is very serious at the present time. In view of those facts I ask the Minister, who has a direct responsibility here, why he does not go to Vancouver and take his responsibility in his hands and make sure there is no further slowdown in the handling of grain on the West Coast.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, and when I come back the Member would be the first one to ask why the Minister went to Vancouver and made a mess of it all.

Mr. McGrath: Madam Speaker, the Minister is right in a certain sense. If he does go to Vancouver we will hold him accountable when he comes back. But the point is that he has a responsibility to go to Vancouver and make sure there are no more work stoppages and no more slowdowns. That is his responsibility, and he ought to take that responsibility.

Madam Speaker: Order. I want to remind the Hon. Member for St. John's East that he asked me for an extra supplementary question which I gave him, and he did not ask a question.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF ASTRONAUT PAUL WEITZ, COMMANDER OF CHALLENGER SPACE SHUTTLE

Madam Speaker: I have the honour to draw the attention of the House to the distinguished presence in our gallery of Mr. Paul Weitz, Commander of the Space Shuttle, Challenger, on its first mission.

Some Hon. Members: Hear, hear!

Oral Questions

ENVIRONMENTAL AFFAIRS

DUMPING OF TOXIC SUBSTANCE IN RESTIGOUCHE RIVER

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of the Environment who, I am sure, is aware by now that some 575 gallons of fenitrathrion, Atlox, and Dowanol were dumped into the Restigouche River the night before last. It is enough to spray 4,000 acres. The U.S. label for fenitrathrion states:

> This product is toxic to fish, birds and other wildlife. Birds and other wildlife in treated areas may be killed. Avoid direct application to lakes, ponds and streams.

Since fenitrathrion has been found to cause mutations and chromosome aberrations in human cells, and since the salmon fishery in the Restigouche, which is an internationally renowned river, is opening up a week from today, is the Minister planning to encourage his colleague, the Minister of Fisheries and Oceans, to close that river temporarily to sports fishing?

Hon. John Roberts (Minister of the Environment): Madam Speaker, we think that this is a serious situation. We are examining it closely. I am not yet able to report to the Hon. Member or the House what action we would recommend.

MONITORING OF WILDLIFE KILLED IN BUDWORM SPRAYING PROGRAM

Mr. Jim Fulton (Skeena): Madam Speaker, as the Minister is no doubt aware, this year's budworm spraying program in New Brunswick comes hard on the heels of the facts released by Statistics Canada that the cancer rate in New Brunswick is double that in areas bordering it that are not being sprayed. I am sure he is also aware that the spraying program has been demonstrated to do nothing other than to maintain epidemic proportions of budworms in New Brunswick.

In light of the fact that he released funds earlier this year to test the effects of acid rain on rabbits' eyes, will the Minister inform the House whether he plans to monitor the death rate of birds and other wildlife from the spraying, keeping in mind his international responsibility under the Migratory Birds Convention?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I will look into the Hon. Member's representations.

REQUEST THAT RIVER STUDY BE INITIATED

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, my question is for the same Minister. Will he give the House assurances that there will be a thorough analysis of the situation in the Restigouche River and that he will not simply recommend that the sports fishery be closed, which would be pretty devastating economically to those earning a living there, and simply not respond to the hysteria of the Hon. Member from the NDP?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I can assure the Hon. Member that we will undertake a serious, thorough, and responsible review of this situation. We will not urge or recommend actions which respond to hysteria.

The Members of the House know that the decision to spray or not to spray is one which is in provincial hands. Members also know that, in terms of impact, there are Departments other than Environment Canada that are concerned. I think the responsible course of action is to take these reports seriously and investigate them before coming to any rapid conclusion as to what action, if any, should be taken.

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CROWN CORPORATIONS

AUDITOR GENERAL'S COMMENTS ON PROPOSED LEGISLATION—CALL FOR WITHDRAWAL

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Prime Minister. The Prime Minister will know that the Auditor General stated in public today with respect to the Canadair affair:

> Bills C-153 on Crown corporations and C-158 on CDIC legislation do not go far enough to prevent a repetition of this tragic affair.

In view of that clear statement by the Auditor General, will the Prime Minister and the Government withdraw Bill C-153 and Bill C-158 and have those Bills re-engrossed to comply with the requirements of the Auditor General concerning accountability?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, on Bill C-153 the Hon. Member will recall that it was the result of us dividing the earlier Bill in a way which accommodated the Opposition. They wanted the Bill to be divided, and we divided it.

Mr. Lewis: Split.

Mr. Trudeau: We split it.

I have not seen the Auditor General's statements. I am happy to look at them. If he made those statements, it will be one man's opinion.

CANADAIR—AUDITING OF CORPORATION'S ACCOUNTS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the Prime Minister will know that the Auditor General is Parliament's servant. Would the Prime Minister also note, when he reads that statement, that it goes on to say:

> What we have here is a costly experiment about which Parliament and the public received little relevant and realistic information.

The Auditor General states that if the accounts had been audited in accordance with the Financial Administration Act, the Government, Parliament, and the public would not have suffered this massive loss as it would have been stopped earlier. In view of that statement will the Prime Minister do something

to stop a repetition of these losses? Last year we had Consolidated Computers. This year we have Canadair. What is next?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the debate in Question Period for the past few days has indicated that the Government has taken steps to prevent a repetition of that unfortunate period of time at Canadair. Those are the steps the Government has taken.

With respect to the quotes from the Auditor General, I repeat that I have not seen them. My impression is that in the questions asked there was a point where the quotation marks stopped and where the Hon. Member interpreted in his own way what the Auditor General might or might not have said.

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PETRO-CANADA

DISMISSAL OF EMPLOYEES

Mr. Howard Crosby (Halifax West): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. It concerns the dismissal of several Petro-Canada employees engaged in East Coast exploration work. There are reports that these employees were dismissed because they either demanded or received favours from Petro-Canada contractors.

We know there has been political interference in Petro-Canada's operations on the East Coast, particularly with reference to supply bases and services. Will the Minister confirm or deny these allegations of improper conduct by Petro-Canada employees, and will he assure the House that he will not tolerate any pay-offs or kick-backs on Petro-Canada contracts?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, everyone knows that I do not intervene in the operations of Petro-Canada on a daily basis. It is managed like any other company. If the Hon. Member is aware of some irregularities, it is his duty to give those to me. I will make sure that the employees will serve Petro-Canada in a most honest way, as they must.

Mr. Crosby: I will be glad to provide the Minister with the information. There are at least three Petro-Canada employees who were dismissed.

REQUEST THAT MINISTER CONDUCT INVESTIGATION

Mr. Howard Crosby (Halifax West): Madam Speaker, I want to know why they were dismissed, because they were involved in important offshore exploration work with several companies, including Wolf Offshore Transport Ltd., which is one of those great Canadian companies whose owner lives in Europe and spends very little in Canada. If the Minister wishes to investigate this, he can ask Mr. Walter Wolf and his friends what is going on, and ask the manager for Petro-Canada Explorations what is going on. I hope he will then report to the House.

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, if employees have been dismissed it is because the management has found good reasons for dismissal. If they have done something wrong and have lost their jobs because they have not acted properly, I think the management has done exactly what had to be done.

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FORESTRY

FIRES IN BRITISH COLUMBIA—INQUIRY RESPECTING FEDERAL ASSISTANCE

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is directed to the Minister of the Environment and Forestry, who was informed in a question last week about the serious situation with forest fires in British Columbia. This has now reached crisis proportions. Thousands of hectares or acres of prime forest land are being destroyed daily. Could the Minister tell us today to what extent this Department of the federal Ministry is involved in the attack and the fighting of this serious situation in British Columbia? Has he negotiated with the Provinces to determine what aid and weight his office can give to alleviate the situation?

• (1430)

Hon. John Roberts (Minister of the Environment): Yes, Madam Speaker, I believe the situation is a fluctuating one. There was some indication of improvement last week. The situation may be becoming serious again. The co-ordination of federal and provincial efforts in this area is managed through the Canadian Interagency Forest Fire Centre in Winnipeg, which has been in touch with the Government of British Columbia about the situation and which is co-ordinating the organization of resources as they may be needed to confront the problem.

FUNDING OF FOREST FIRE CENTRE AGENCY

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, the Canadian Interagency Forest Centre in Winnipeg has a total of about $100,000. Could the Minister tell me how far $100,000 would go to fight such a disaster situation in a Province that depends for 50 per cent of its economy on its forestry resource, and where one major forest company alone will have 25 per cent of its feedstock destroyed before the year is out? Does the Minister feel that is the only effort the federal Government should make in response to such a crisis?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I would remind the Hon. Member, as he knows but some Members of the House may not, that the role of the agency is to co-ordinate the firefighting fleets and the facilities available in a variety of Provinces, and also to keep in touch with resources which are available in the United States. It is

not the direct expenditure of effort by the Centre itself; it plays a co-ordinating role. The basic backup is the material available in the various provincial fleets.

I find it astounding that the Hon. Member should ask whether we think this effort is sufficient when he also knows that we recently indicated that we are committing virtually $150 million of federal Government funds to upgrade and to improve firefighting capacity across Canada by assisting the Provinces in the purchase, on a matching basis, of the most modern and up to date firefighting planes, a move which his colleague from British Columbia has roundly chastised us for taking. I wish he would talk to her and manage to straighten her out on what is required for adequate fire protection in this country.

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WESTERN GRAIN TRANSPORTATION ACT

CAP ON TRANSPORTATION FUNDING

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, my question is for the Prime Minister. He knows that the Government decision on the Crow has resulted in a cap being put on the export of grain of about 31.1 million tonnes. This will cost the nation about $4 billion to $5 billion by 1990, whereas an investment of $150 million a year to remove that cap would result in the nation being richer by $4 billion or $5 billion. How can the Prime Minister justify the loss of $1.5 billion for Canadair and other Crown Corporations when the Government is not prepared to make this investment that will give a return of ten or 20 times that amount?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, there is no cap on the export of grain from Canada, none whatsoever. The Bill presently before the House states, however, that there would be a cap on the contribution that the Government of Canada will make to grain transportation. There is a big difference between the two. That was a suggestion made by the Gilson group, and the Government of Canada had accepted that simply as an indication that there is a limitation on the amount of money the federal Government can put into the transportation of grain.

Should the farmers of Canada prefer not to have the cap, that is a suggestion I am quite willing to receive, but only inasmuch as it would be understood that this would not affect the total amount of the contribution of the federal Government.

In specific answer to the question, the fact is completely different from the implication. It is estimated that the amounts of grain exported by Canada will move from 31 million tonnes to 42 million tonnes by the end of the decade.

Mr. Thacker: Madam Speaker, the farmers are paying 10 per cent of the price up to 31 million tonnes. If they pay 100 per cent beyond that, that is an effective cap.

GILSON REPORT RECOMMENDATION

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, I have a supplementary question for the Minister of Transport. If the Government were prepared to accept the Gilson compromise with respect to the cap, why has it not accepted the Gilson compromise with respect to paying 81 per cent to the producers and 19 per cent to the railways?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the fact is that when Gilson produced his report he had a number of supporters; there is no doubt about that. But a great number of groups of farmers and producers of livestock and others disagreed with this or that aspect of the Gilson report. Since then we have been trying to put together a package that would be acceptable to the greatest number of people. As it is not possible to have everybody agreeing with every part of it, the poor Minister of Transport has been begging people kindly to settle for 65 per cent or 75 per cent of their interest and their points of view on the subject. Hopefully, he will get that soon.

* * *

NATIONAL REVENUE

REQUEST FOR RE-EVALUATION OF FARM LAND

Mr. Mel Gass (Malpeque): Madam Speaker, my question is directed to the Minister of National Revenue. It concerns the valuation date for farm land and other properties, dating back to 1971. Has the Minister or his Department any plans to raise the value of farm properties, or to eliminate the clause which makes it necessary for farmers to pay capital gains on cash for farm sales?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member's proposal would require an amendment to the Income Tax Act, which would be in the nature of a change in the tax system and, therefore, the responsibility of the Minister of Finance. I can, however, advise the Minister of Finance of the representations made by the Hon. Member with respect to a change in the Income Tax Act in this area.

* * *

[*English*]

HUMAN RIGHTS

INTERNMENT OF JAPANESE-CANADIANS—PAYMENT OF COMPENSATION

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, I have a question for the Minister of Justice. He indicated recently that the Government was considering compensation for Canadians of Japanese ancestry who lost their homes in World War II and were placed in internment

camps. Would the Minister tell the House what progress is being made on this matter and what process has been set up to establish what kinds of compensation should be paid?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, this matter is indeed under some consideration by Government. It is far from being ripe at the present time. I understand the Japanese Canadians are holding a conference in the Fall at which they will discuss what their own position might be. Of course I should remind the Hon. Member and the House that there was a Royal Commission which was appointed and which reported in 1950, according to which Japanese Canadians were compensated to a great extent for the losses which they suffered.

Ms. McDonald: Madam Speaker, certainly members of my Party would welcome compensation being worked on at the present time, and I am sure other Hon. Members would welcome it too.

FORM OF COMPENSATION

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, my second question is for the Minister of Justice. Would he be a little more explicit on how consultations might be carried out and what the role of Parliament would be in determining the amount of compensation, and the form of compensation?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I think it would be rather unusual for Parliament to be involved in the amount of compensation. Perhaps with respect to the form of compensation, this is a matter about which, at the appropriate time, the Standing Committee on Justice and Legal Affairs would want to give some advice to the Minister. I think we are a long way from having the issues before us in sufficiently concrete form to enable us to face these questions precisely.

* * *

PORTS

INVESTMENT IN QUEBEC—INQUIRY RESPECTING PORT OF CHURCHILL

Mr. Doug Neil (Moose Jaw): Madam Speaker, my question is for the Minister of Transport. In today's mail I received an information bulletin from the Minister indicating a $14.5 million investment in an elevator operated by Bunge of Canada Limited, at the Port of Quebec. When will the Minister be making an announcement with respect to spending some money on the Port of Churchill?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, this must be an investment by the Port of Quebec on the grain facility. It is not an investment of the Department of Transport.

EXPORTS OF GRAIN

Mr. Doug Neil (Moose Jaw): Madam Speaker, the information came from the Minister of Transport's office indicating a Government of Canada investment of $14.5 million.

Mr. Munro (Esquimalt-Saanich): Oh, he doesn't know about it.

Mr. Neil: The Minister is aware of the fact that you can ship grain much more cheaply through the Port of Churchill than you can through Quebec or the Great Lakes system. When is the Minister going to do some work in the Port of Churchill and start directing the export of grain through that port?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I think I am right in suggesting that the investment in the Port of Quebec is an investment by the Port of Quebec, which is part of Ports Canada.

• (1440)

On the subject of Churchill, my hon. friend is wrong in intimating that no money has been spent on that port. To the contrary, millions of dollars have been spent both on the Port of Churchill and on making adequate the rail that leads to Churchill. Each time we talk about Churchill, the question arises: what is the Canadian Wheat Board willing to do on behalf of Canadian farmers for the Port of Churchill? Is it willing to commit itself to certain minimum quantities on an annual basis for that port? Each time the Canadian Wheat Board, on behalf of Canadian farmers, says no, that there are some limitations to what price it can charge Canadian farmers for the use of that port. Consequently, in recent years 500,000 tonnes to 600,000 tonnes have been shipped from Churchill, but it is estimated by most people that, contrary to the opinion expressed just now by my hon. friend, there is an added cost to ship through Churchill.

* * *

FOOD AND DRUGS

SALE OF NON-PRESCRIPTION DRUGS—SECURITY REGULATIONS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, my question is directed to the Minister of National Health and Welfare. I have given her office notice of it. In light of the recent occurrences of tampering with bottles of laxative in the Ottawa area, known as the Metamucil scare, could the Minister give us a progress report on proposed regulations for the security of non-prescription drugs? Can she also give us an update on whether the Metamucil scare is just an isolated incident or whether it has moved to other parts of the country outside the Ottawa area?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, starting with the latter part of the question, from all investigations conducted by the police and by my departmental officials, we are confident that these

incidents are localized. Unfortunately it happened here, but at least there is no sign of any other such problems in Canada. Of course they had to do with deliberate acts of tampering. We are continuing the investigation, by the way.

I want to add on the general problem of drug security packaging that, after extensive consultations with the pharmaceutical industry and other interested parties, we will be promulgating regulations under the Food and Drugs Act to provide consumers with additional protection. These new regulations will be effective as of the next—I am speaking Chinese, I am sorry; I am speaking like Crosbie right now—

[*Translation*]

—what I mean is, the 1st of January 1984!

[*English*]

Mr. Scott (Hamilton-Wentworth): I am not going to touch that one with a 3.584 metre barge pole, Madam Speaker.

APPLICATION OF PROPOSED REGULATIONS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, could the Minister say whether these regulations will be voluntary on the part of manufacturers, or mandatory? Will they be legislated, as she said, in 1984, to make security precautions mandatory for non-prescription drugs?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I will have to countercheck, but my understanding is that they will be mandatory. The way the Hon. Member asks his question creates doubt in my mind, so I will come back to him and to the House with a reconfirmation of it. I forgot to say that as part of the new regulations the labelling will have to indicate whether or not the drugs have been opened prior to being sold.

* * *

POLITICAL PARTIES

BUTTON WEARING LIBERALS

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, my question is directed to the Minister of Supply and Services. It is clearly visible that the Minister and Hon. Members on the Government benches are wearing buttons with the Prime Minister's name on them.

Some Hon. Members: Hear, hear!

Mr. Friesen: It is not so clearly visible that they are written with very easily erasable crayola.

Some Hon. Members: Hear, hear!

Mr. Friesen: Since Marshall McLuhan has said that the medium is the message, I wonder whether the Minister of Supply and Services and other Government members are trying to convey a subtle message to the Prime Minister, or have they finally agreed that, whereas one can lead a Liberal to a water hole, one cannot make him drink?

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, I can tell the hon. gentleman that on this side of the House we are very pleased to wear this particular button. There has been no hesitation at all in wearing the buttons, and we can see that the Hon. Member has no difficulty reading what they say.

Madam Speaker: We are away out in left field as far as that question and answer are concerned. The Hon. Member for Wellington-Dufferin-Simcoe.

Mr. Beatty: The whole Government is away out in left field.

* * *

THE PRESS

CONSTITUTIONALITY OF PROPOSED NEWSPAPER REGULATING LEGISLATION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, my question is directed to one of the Government leftfielders, the Minister of State for Multiculturalism, who has been waging a one-man war on Canada's newspaper industry.

An Hon. Member: You are away out in left field.

Mr. Beatty: If the Minister's colleague will let me finish, in view of the fact that within the past two weeks the Minister was reported to have made another speech in which he said that he would be tabling legislation in the House before the end of the month to regulate the newspaper industry, will he tell the House whether he has asked for and received a legal opinion on the constitutionality of what he is doing? If so, will he table that opinion in the House of Commons at the same time the Bill is introduced?

Hon. Jim Fleming (Minister of State (Multiculturalism)): Madam Speaker, I have not said nor read anywhere where I was reported to have said that I would table the Bill in the House. I said that I hoped to have drafted legislation ready by the end of this month. I still have that hope. Although I might not make that deadline, I hope I will.

As to constitutionality, the advice of the Department of Justice, which I take as a Minister, is that our proposal will be quite within constitutional parameters.

LEGAL OPINION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, could the Minister tell us whether he read the article in *The Gazette* of Montreal on Tuesday, May 31, which indicated that the Minister hoped to table legislation affecting the ownership and accountability of daily newspapers, by the end of June? In view of the fact that he says he is confident about the constitutionality of his proposals, how does he square

that with his "For Ministers' Eyes Only" memorandum of March 31, 1982, which dealt with the legislation as it deals with conglomerates, and said, "even this review process may be struck down by courts". On what legal opinion was this statement made, if he says that he has a legal opinion saying that everything he is doing is perfectly legal?

Hon. Jim Fleming (Minister of State (Multiculturalism)): Madam Speaker, I do not have before me nor did I have any notice of the particular document, if it is a Government document. All I know is that a Royal Commission found that there was a great danger to freedom of the press if there was increased concentration of ownership in the daily newspaper business, that every major and minor daily newspaper owner in the country agrees there does come a point when there can be too much concentration, and that the Government has produced a number of proposals and is now putting them in legislative form according to what we believe is correct within the law.

As far as *The Gazette* of Montreal is concerned, I am simply saying that I have not told *The Gazette* or anybody else that I would table legislation by the end of the month. I said that I hoped to have a draft ready.

* * *

ATOMIC ENERGY CONTROL BOARD

REAPPOINTMENT OF DIRECTOR

Mr. Dan Heap (Spadina): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources who has responsibility for appointments to the Atomic Energy Control Board. The Minister knows that Roy Olsen, a member since 1975, was reappointed as of February 19, 1983. The Minister should also know that Mr. Olsen is President of Phillip Cables Limited, which held contracts during the past three years for the Pickering and Darlington nuclear generating stations in the amount of nearly $1.5 million. Does the Minister not consider that Mr. Olsen has a conflict of interest in administering the Control Board that awards licences to Ontario Hydro for these projects from which he profits as a supplier?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, the Hon. Member makes a kind of affirmation about conflict of interest on which I will certainly check and report to the House. I do not know the particulars.

INQUIRY RESPECTING DIRECTOR

Mr. Dan Heap (Spadina): Madam Speaker, since the Minister seems to be unaware of Mr. Olsen whom he appointed, will he also check the fact that Mr. Olsen is chairman of the Electrical and Electronics Manufacturers' Association and chairman of a joint industry task force which is lobbying to have the Ontario Government convert all its buildings to electrical heating and otherwise puff up the use of electrical power by another 4,000 megawatts more than Darlington will supply?

• (1450)

I would like to know whether the Minister insists that Mr. Olsen, who has been called Canada's top nuclear reactor salesman, is a person without conflict of interest, fit to administer the pursuit of private profit that endangers Canadian lives and health and the Canadian environment. Does he regard him as a fit and unbiased person?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, the first question and the second question are of the same nature. I will check into the matter.

* * *

CUSTOMS AND EXCISE

SUMMER EMPLOYMENT FOR STUDENTS

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, I would like to address a question to the Minister of National Revenue, of which I have given him notice. Have any students been hired in the customs service at the border points in Carleton-Charlotte for summer employment?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Yes, Madam Speaker, students have been hired for the summer in this area. If I remember correctly, 16 students were hired for the summer.

[*English*]

STUDENTS' PROXIMITY TO WORK

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, in order to extend to students the maximum benefit of their earnings, it has been customary for the Government to hire them within their residential range of the positions which may be vacant. How many of those students who have been hired are residing 15 miles beyond their point of work, which is about the limit of a student's capability to commute?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, 10 of the 16 students who were hired live within a radius of 15 miles from their place of work.

* * *

[*English*]

PARLIAMENT

ELECTORAL REFORM—GOVERNMENT POLICY

Mr. Girve Fretz (Erie): Madam Speaker, my question is for the Government House Leader. He will recall that earlier this

week I raised the question of electoral reforms in the House. According to reports, the Government House Leader stated that the appointment of a committee to study such reforms has been shelved until at least the next session of Parliament. This leads us to believe that the Government does indeed have plans to proceed with electoral reforms in the House of Commons in the not too distant future. This seems to contradict the Prime Minister's statement this week to the effect that the Government has no plans to proceed in that direction. My question then is, who speaks for Government policy in that area, the Government House Leader or the Prime Minister?

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I am not aware of the statement or passage to which the Hon. Member is referring.

[*English*]

REQUEST THAT PRIME MINISTER CONSULT OPPOSITION LEADERS

Mr. Girve Fretz (Erie): Madam Speaker, I wish to direct a supplementary question to the Prime Minister with regard to electoral reform, a question which I posed to him earlier this week. He will recall that the three Party leaders have failed to come to an agreement. That was his statement. Will he promise this House that he will not proceed with any action to implement such a policy without consultation with the Leaders of the Opposition Parties?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if the Hon. Member is asking me about the policy that we attempted to have accepted shortly after the last election, the answer is yes. The acceptance of that policy by the Government was predicated on the acceptance by the three Party leaders. I think I told the Hon. Member that the other day. As far as I am concerned, that is a dead issue.

* * *

NATIONAL REVENUE

SEIZURE OF CHILDREN'S THEATRE COMPANY FUNDS

Mr. David Orlikow (Winnipeg North): Madam Speaker, I would like to direct a question to the Minister of National Revenue. A few months ago officials of Revenue Canada moved in and seized the funds of Carousel Players, a children's theatre company based in St. Catharines, Ontario, which has been entertaining children for many years. These funds were seized on the pretext that the theatre company had failed to make remittances for UIC and Canada Pension Plan contributions. The Minister must know that virtually all theatre groups in Canada operate on the basis that actors are considered self-employed. They are very seldom employed. Will the Minister clarify his Department's position on this matter? With this action, is the federal policy being changed with respect to Canadian artists? If this is the case, what other Government Departments or agencies have been consulted in this area?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, for several years, the Department of National Revenue has been examining the insurability and nature of the employment of the persons in question. After a thorough study, it was determined, according to the customary criteria used by the Department, that their employment was insurable under the provisions of the Unemployment Insurance Act and the Canada Pension Plan Act. In the circumstances, the Department has no alternative but to request that both employee and employer pay their share of the unemployment insurance and Canada Pension Plan premiums. This was done, without prejudice to employees, employers or the work they are doing, and in accordance with the legislation now in effect.

[*English*]

EFFECT ON PERFORMING ARTS GROUPS

Mr. David Orlikow (Winnipeg North): Madam Speaker, can the Minister tell us whether it is the intention of the Department to move on other theatre groups across the country and do to them what was done to the Carousel group? Does the Minister realize that the arts community is very concerned about the effect this kind of policy will have on the work which these theatre groups do? I ask this because many of these people are employed sporadically and temporarily.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, what the Hon. Member just said merely confirms that a thorough study of each specific case must be made before the Department can decide as to the insurability or non-insurability of employment. The Department looks at the employee's status vis-à-vis his employer and also considers whether or not his employment is permanent, and a final decision is made on the basis of these criteria. It does not mean that a decision made in this particular situation will necessarily apply to other cases. I am merely pointing out that a thorough study is made of the case before a final conclusion is reached.

* * *

[*English*]

LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE—REPORT OF DEPARTMENTAL OFFICIAL

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I would like to direct my question to the Acting Minister of Labour. As the Minister is well aware, Mr. Bill Kelly, the Assistant Deputy Minister, has been in Vancouver where he is monitoring the progress, or lack of progress, between the grain handlers and the elevator operators on the West Coast. Can the minister inform the House on the report Mr. Kelly has given to him on the situation as he now sees it?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, we in this House all know what a distinguished record Mr. Kelly has had over the past years in working on labour-management matters. The House will be pleased to know that at this time the best advice received from Mr. Kelly and the Department is that we must first determine very carefully the inclination or willingness of the partners to this dispute to give signs of coming together to find an agreement that will not only suit their economic interest but also be in the public interest. Mr. Kelly, who is certainly one of the best people we have on that situation, is monitoring it on a daily basis, which should give some comfort and support to the Hon. Member.

* * *

ENERGY

DRILLING OPERATIONS—SERVICE SECTOR DIFFICULTIES

Hon. Don Mazankowski (Vegreville): Madam Speaker, I would like to direct a question to the Minister of Energy, Mines and Resources. The Minister will be aware that this week there have been several representatives of the energy supply and service sector in Ottawa making representations to Members of Parliament, and indeed to Government, on the very serious difficulties that are being faced by that sector as a result of the slowdown in drilling activity in these sedimentary basin. Less than 30 per cent of the drilling fleet is working. That has a direct impact upon the service and supply sector. What words of encouragement and hope has the Minister given this very important sector, or is he going to allow this multi-billion industry to collapse like a punctured balloon?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, the message of hope that I can give to them is that for 1983 it is forecast that the cash flow in the industry will increase by about 8 per cent or 9 per cent while the same industry in the United States will see a negative cash flow in 1983. The fact that we have been able to increase the price of a barrel of oil by $4 as of January 1 substantially improved the position of that industry in relation to the situation south of the border. As you know, some of the people who were very keen to go to the United States some years ago, have come back to Canada. For instance, Total Petroleum have indicated that they are now very happy that they were not able to sell their Canadian assets two years ago. They kept those assets, and the Canadian sector of the company is the only one in which there was a profit made this year.

• (1500)

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Wednesday, June 8, 1983 meet the requirements of the Standing Orders as to form.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR THE PROVINCE OF SASKATCHEWAN

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Prince Albert (Mr. Hovdebo), The Battlefords-Meadow Lake (Mr. Anguish), Humboldt-Lake Centre (Mr. Althouse), Saskatoon East (Mr. Ogle), Yorkton-Melville (Mr. Nystrom), Dauphin-Swan River (Mr. Lewycky), Kootenay East-Revelstoke (Mr. Parker), Spadina (Mr. Heap), Winnipeg-Birds Hill (Mr. Blaikie) and Winnipeg North (Mr. Orlikow) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act Act, Chapter E-2, RSC 1970, to the report of the Electoral Boundaries Commission for the Province of Saskatchewan.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

[*Translation*]

FILING OF OBJECTION TO REPORT OF COMMISSION FOR THE PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that the objection signed by the Hon. Members for Lachine (Mr. Blaker), Blainville-Deux-Montagnes (Mr. Fox), Welland (Mr. Parent), Elington-Lawrence (Mr. de Corneille), York-East (Mr. Collenette), Essex-Kent (Mr. Daudlin), Sarnia-Lambton (Mr. Cullen) and St. Paul's (Mr. Roberts) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

Madam Speaker: Agreed.

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Lewis: Madam Speaker, this being Thursday, I would like to ask the Government House Leader if he can give the House some idea as to the business of the House for next week.

Mr. Pinard: Yes, Madam Speaker, but first I would like to seek unanimous consent that the House does not sit tomorrow.

Madam Speaker: Is there unanimous consent not to sit tomorrow?

Some Hon. Members: Agreed.

Madam Speaker: It is agreed and so ordered.

[*Translation*]

Mr. Pinard: As far as the business of the House for next week is concerned, Madam Speaker, on Monday, we shall consider the third reading stage of Bill C-85 to establish Canagrex, a corporation to facilitate the export of agricultural products. I would like to designate Tuesday as an Opposition day. Since it will be the last Opposition day in the present supply period, votes will be taken at the end of the day. Wednesday is usually set aside for Private Members' Business, according to the Standing Orders, but I wish to advise the House that I shall seek the Chair's permission to move a motion to extend the hours of sitting until the end of June, as provided in our new Standing Orders, since we now have a parliamentary calendar, and in order to be able to finish Government business, to get as much work done as possible, we are entitled to extend sitting hours during the last two weeks of June. We therefore intend to move a motion to this end on Wednesday. If the motion is challenged, the Standing Orders provide, as Hon. Members are aware, a debate of two hours followed by a vote, if necessary. Finally, next week Thursday we shall resume debate on second reading of Bill C-155, an Act to facilitate the transportation, shipping and handling of Western grain.

[*English*]

Mr. Lewis: Madam Speaker, that is satisfactory to us. However, at this time, Madam Speaker, I would like to go on record as expressing our displeasure that the last allotted day would be in the middle of the month rather than in the last week of the month. As well, I would like to express displeasure on behalf of all Private Members in the Conservative Party that the Government intends to take the time of Private Members on Wednesday to debate the motion to extend hours. It seems to us, Madam Speaker, that this is the type of motion that should be debated on a Government business day since it is Government business that we would be dealing with.

Mr. Pinard: Madam Speaker, on the latter point raised by the Hon. Member, I have no other choice under the new Standing Orders but to move that motion next Wednesday. I refer my hon. colleague to Standing Order 9, which indicated that this kind of motion must be moved on the tenth sitting day before June 30. The tenth sitting day before June 30 is June 15, which is next Wednesday.

There is a possibility that we could come to an agreement. As I have indicated to him earlier, I intend to talk to my colleague about those extended hours, and if we were to come to an agreement with the NDP and with the Progressive Conservative Party, it may be that it will not be necessary to debate the motion and it would be passed by House Order without debate. Failing to come to such an agreement, we intend to follow the rules and have no other choice but to move the motion on the tenth day preceding June 30, as is stated very clearly in the Standing Orders.

On the first point made by the Hon. Member, the fact that the last allotted day this year would be in mid-June was well known by my colleague. I told him in advance that we are experimenting with parliamentary reform and that after June 15 we will have long sitting days. During this period of supply beginning after Easter, we have given the Opposition 12 allotted days so far. That is a lot of time that has been used by the Opposition. I think it is very reasonable that the last allotted day is to be before days with extended sitting hours. Even though we are acting under the new parliamentary reform, I would like to tell my colleague that in the past when hours were not extended it often happened that the last allotted day was somewhere around June 17, 18 or 19. This is nothing new; it is perfectly normal under the rules. It is our prerogative, and we officially designate next Tuesday as an Opposition Day.

Mr. Skelly: Madam Speaker, I would like to ask the Government House Leader a question that has to do with House business. My question deals with a theme that I have raised previously. I request the Government House Leader to give the House some information as to when the Government will present to the House legislation that will give effect to the policy that was brought forward on shipbuilding.

The second aspect of my question related to that theme is that there is a great deal of concern about the allocation of the frigate program and there is a movement to ask that the Government report to the House of Commons on the feasibility of spreading the construction of these six frigates across the country on a regional basis; two in the West, two in central Canada and two in eastern Canada. I was wondering if the Government House Leader could tell us if Canadians and the House will have a chance to examine, before we sit in the fall, the legislation that will give effect to the shipbuilding policy, and will the Government be reporting to the House prior to adjournment and prior to the decision on the frigate program on the feasibility of spreading across the nation on a regional basis the construction of those frigates?

Mr. Pinard: Madam Speaker, I will be glad to bring the matter to the attention of the Minister responsible. I am not in a position to make any commitment as to what will be done or

what will not be done before the date of adjournment because we do not know what the date of adjournment will be.

Mr. Skelly: Madam Speaker, I would like to say that it would certainly be sufficient if the Government House Leader could consult and attempt to provide the House and the country with that kind of information prior to sitting. That would then provide us with an opportunity to respond in a possibly very effective and quick way in the fall should those programs be suitable.

Mr. Lewis: Madam Speaker, at our caucus meeting on Wednesday of next week we will be discussing whether or not our Party might grant unanimous consent to bring that motion forward on the Thursday rather than on the Wednesday in order that the time allotted for Private Members' Business will not be infringed upon. I will communicate that to the Government House Leader at a later time.

Mr. Pinard: Madam Speaker, we are not in the hands of the Tory caucus on this issue. We follow the rules. The Special Committee on Parliamentary Reform proposed, and it was accepted unanimously, that the motion to extend the hours, if there is no agreement, must be moved on the tenth sitting day before June 30 this year. The Committee knew that. It so happens that the tenth sitting day before June 30 is a Wednesday. I hope that the Tories will agree to that, but failing that agreement, we will certainly not be dictated to by what the Tory caucus decides.

ROUTINE PROCEEDINGS

[*Translation*]

MISCELLANEOUS ESTIMATES

PRESENTATION OF EIGHTH REPORT OF STANDING COMMITTEE

Mr. Claude Tessier (Mégantic-Compton-Stanstead): Madam Speaker, I have the honour of tabling, in both official languages, the eighth report of the Standing Committee on Miscellaneous Estimates.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

* * *

• (1510)

[*English*]

PETITIONS

MR. TAYLOR—CLIFFORD ROBERT OLSON

Mr. Gordon Taylor (Bow River): Madam Speaker, I have great pleasure in presenting another petition containing some

425 names of Canadians who are asking the House of Commons and the Government to hear their plea for the execution of Clifford Robert Olson, who planned the murder of 11 young people and now brags that he killed many others.

Women and children and young people will not be safe if Mr. Olson is ever released from prison to roam the streets looking for more victims.

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the honour to present today a petition from many residents of Manitoba asking that the Government implement a marine industrial strategy that would provide thousands of jobs and billions of dollars in industrial and economic activities for Canadians.

It is also hoped that the Government will be able to produce legislation to give effect to its policy on shipbuilding and to ensure that, in the development of the frigate program, there will be a distribution of benefits across the nation on a regional basis.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Douglas Fisher (Parliamentary Secretary to Minister of Finance): Madam Speaker, the following questions will be answered today: Nos. 4,837 and 4,869.

[*Text*]

MARITIME FORESTRY COMPLEX, FREDERICTON, N.B.

Question No. 4,837—**Mr. Howie:**

To the date on which this question is answered, what is the status of the Maritime Forestry Complex which is to be built at Fredericton, New Brunswick?

Hon. John Roberts (Minister of the Environment): The federal Government has confirmed its participation in the construction of the Maritimes Forestry Complex as part of its Forest Sector Strategy for Canada, under the Special Capital Recovery Projects Program. As announced on May 18 by the Hon. John Roberts, Minister of Environment Canada and the Hon. Roméo LeBlanc, Minister of Public Works, the Government will construct new facilities for the Maritimes Forest Research Centre of the Canadian Forestry Service. These facilities, estimated to cost $22 million, will be part of the Complex which will also include the New Brunswick Department of Natural Resources, the University of New Brunswick Forestry Research Group and the Maritimes Forest Ranger School.

Order Paper Questions

CLOSED CAPTIONED PROGRAMS

Question No. 4,869—**Mr. Beatty:**

1. What is the policy of the Canadian Radio-Television and Telecommunications Commission concerning the desire of cable companies to decode closed-captioned American programs instead of being forced to substitute Canadian signals that are not closed-captioned for the hearing impaired?

2. Have efforts been made by the CRTC to encourage broadcasters to (a) produce Canadian close-captioned programming (b) purchase closed-captioned versions of foreign programs and, if so, what were such efforts?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Radio-Television and Telecommunications Commission as follows:

1. The Canadian Radio-Television and Telecommunications Commission requires cable licensees that have 6,000 or more subscribers to substitute for local or regional signals when requested by the local or regional broadcaster under the provision of section 19 of the Cable Television Regulations.

Two cable licensees now have authority to decode closed-captioned programming. The Commission is currently reviewing an amendment that would allow these and other cable licensees to apply for specific exemptions to the requirement to perform program substitution when lower priority signals are captioned. The Commission hopes to announce its decision on these measures in the near future.

2. This Commission has always taken the position that it is the broadcaster's responsibility to determine how they will spend their resources to serve its minority constituents. Broadcasters who are before the Commission for various reasons may be questioned on their programming efforts. Questions concerning service often arise and as part of that discussion, the subject of captioning may be raised. The subject may be raised by the Commission itself or it could be raised as part of an intervention from any interested member of the public.

The Chairman of the Commission has written each independent television broadcaster and cable company on services and programs for the disabled pointing out how important service to the hearing impaired is and, at the same time, soliciting their comments.

This subject has also been raised with some of the pay television licensees.

[*English*]

Mr. Fisher: Madam 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?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—GOVERNMENT POLICIES

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

That this House rejects the centralizing and interventionist policies of the Government as an ideological thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

Madam Speaker: The Hon. Minister of Agriculture (Mr. Whelan).

Mr. Beatty: Madam Speaker—

Madam Speaker: I recognized the Hon. Minister of Agriculture. He got up first and I recognized him. Will the Minister defer for five minutes and we will allow the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) to answer questions?

Mr. Whelan: Yes, Madam Speaker.

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Thank you very much, Madam Speaker. I wish to thank the Minister of Agriculture for his courtesy. You were not in the chair, Madam Speaker, when proceedings ended at one o'clock. We ended with the Minister of Consumer and Corporate Affairs (Mr. Ouellet) believing that I would not have a chance to respond to his question. He made a comment the same as one that previously landed him with a contempt of court citation, but he made that at another time.

He asked one genuine question, however. He wanted to know how I could discuss legislation for the newspaper industry which has been proposed by the Minister of State for Multiculturalism (Mr. Fleming) when the Bill has not been introduced. If the Minister had read the document entitled "Government Proposals on Freedom of the Press in relation to the Canadian Daily Newspaper Industry", which is the text of the speech given by the Minister of State for Multiculturalism on May 25, 1982, at the University of Western Ontario, he would have found that the Minister outlined all the government's proposals at that time and referred to them as Cabinet decisions. If the Minister has any doubts about any of the assertions I made about the intention of the Government, he should query his colleague who published this document.

Mr. Skelly: Mr. Speaker, I should like to address some comments on questions to the previous speaker on the subject of the Kent Commission and the Government's response through legislation and policy.

The first thing to do is acknowledge that the Government program is not at an acceptable level. This morning my colleague, the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie), outlined the kind of intellectual bankruptcy and basic dishonesty of the approach of the Conservative Party. The

Hon. Member who just spoke did not outline what the Conservative Party would be prepared to do to face the problems of the industry. He stated no policy and no position, but just said that there are too many problems and that that is the fault of the Liberals.

I should like to ask the Hon. Member what the Conservative Party would do about corporate concentration in the newspaper and media sector. What would it be prepared to do about a small number of people controlling a large number of media outlets and controlling retail outlets that depend on those for media advertising, squeezing out other competitors and destroying a competitive system?

What is that Party prepared to do about cross-media ownership? It is fine for the Conservative Party to stand in the House and condemn the Government, but it does a tremendous disservice to the people of Canada by failing to put forward constructive alternatives.

I challenge the previous speaker to put up some alternatives by which the Canadian people would judge his Party, or at least admit that his Party is prepared to see concentration continue to the detriment of consumers and to other small businesses in Canada. What is that Party prepared to do to ensure there is a diversity of titles?

Mr. Beatty: Mr. Speaker, I am delighted to receive the challenge and to be able to respond to it. The first assertion made by the Hon. Member was to the effect that companies which had retail outlets were squeezing out retail competitors. I would ask the Hon. Member to supply justification for that statement. I think he will not be able to do so. Hon. Members would be interested if he could.

He asked about the issue of cross-media ownership. If he had followed the proceedings of the CRTC over the years, he would have known that the CRTC has always had the right and has always insisted upon the right, to question cross-media ownership. There is nothing new in these proposals that goes beyond what the CRTC was able to do before.

Finally, the Hon. Member asked what sort of positive proposals this Party has. I have made a number of proposals, including some for changes in the tax laws. An example is the case of the Blackburn holdings in London. The London *Free Press* is owned by a family operation. As the tax laws stand, if Mr. Blackburn were to die, his family might be forced to sell the newspaper to a chain or some other buyer and be forced to divest themselves of those holdings. This could lead to greater corporate concentration.

My criticism of the Government's proposals and of the NDP "me too" approach is that they are strictly interested in regulating a dwindling number of dailies. They have not proposed anything that would improve the climate in which newspapers would operate. For example, they do not propose changes to the tax legislation to encourage advertising, which is the lifeblood of Canada's daily newspaper industry. Second, the great issue that we should be concerned about is diversity in the media. We are concerned about the ability of Canadians to draw their opinions from a number of different sources. The best way to ensure that is to ensure diversity.

The position taken by the NDP and the Liberal Government over the years, particularly as it relates to the electronic media, has been to draw an electronic curtain along the 49th parallel and say that we should restrict competition rather than encourage it. They cannot have it both ways, Mr. Speaker.

I say that competition should be encouraged both in the electronic media and in the print media. Canadians would be far better served by that than they would by a restrictive regime that regulates a dwindling number of dailies and ensures that friends of the Government are able to pass judgment on what working journalists have said and done.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I enter this debate today because of the things that people say, and some people may even believe what they say. The motion reads as follows:

> That this House rejects the centralizing and interventionist policies of the Government as an ideological thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

Crown corporations have been a way of life in Canada for many years. To suggest at this time that they are socializing our country is plain nonsense, nothing more than nonsense. Let us look at Canada. Owing to the size of this country, with its very small population and diverse regions, Canada is faced with problems that smaller or more compact countries do not have to deal with. It became obvious early in Canada's history that some services that Canadians required could not be provided equitably by private enterprise. If we relied on profit-making private business to meet all the needs of Canadians, there would be a lot of well-off people living in the Quebec-Windsor corridor and a few people scattered in pockets around the rest of the country.

• (1520)

With respect to the Crowsnest Pass freight rate, which Hon. Members opposite are so determined to keep us from changing, it was interesting to read in the press yesterday what the candidates for the leadership of that Party are saying about the Crowsnest Pass freight rate. I believe every one of them has said it has to be changed. I believe one of them is quoted as saying that it should be scrapped completely. I do not know what will happen to him in the leadership contest. The former Leader of that Party says he does not know enough about it to make a comment. At least, that is what he was reported in the press as saying. That sounds kind of strange to me.

That Party opposite is determined, Mr. Speaker, to keep us from changing the Crow rate. It must be changed because of our very recognition that it is not fair to ask farmers on the Prairies to carry the full cost of transporting their grain to export markets when the beneficiary of that trade is the entire population of Canada. Governments over the years have recognized their responsibility was to unite Canadians. One of the best ways to do that is to provide real opportunity for all. If

private industry could not, or would not, then it was the legitimate role of government to step in. Crown corporations were the vehicles which were used. I do not believe any one of those Crown corporations even intentionally abused that power.

If Crown corporations are socializing Canada, then it is a process which has had the full blessing of the Progressive Conservative Party. The first and some of the biggest Crown corporations formed in this country were instituted by Conservative Tory Governments. For example, the Canadian Wheat Board, the Canadian Broadcasting Corporation and the Canadian National Railways were all fathered by Conservative Governments. I do not believe any Hon. Members, Mr. Speaker, would seriously argue that these Crown corporations have not worked effectively for Canada. I do not hear any strong calls for their abolition or fears that they are turning Canada into a socialist country.

I can remember travelling with the previous head of Canadian Pacific Railways and the head of the CNR. We were visiting a proposed construction site between Calgary and Kamloops on the CP route and between Kamloops and Edmonton on the CN route. Some of the people on the trip said afterwards: "You know, the head of CP sounded more like he was running a Crown corporation than did the head of CN". They thought the heads of the two railroads, by their philosophy, should be interchanged because of the way they were putting forth suggestions as to what should be done in the railroad industry and what should be done for the good of Canada.

The Canadian Wheat Board, Mr. Speaker, is one of the most successful grain sales agencies in the whole world. Other countries send their officials here to study it. Farmers in other countries urge their governments to follow the Canadian pattern. You must remember the "great American grain robbery" of the 1970s when the Russians secretly bought so much United States grain that they upset the world market. That could not have happened if the United States had had a national sales agency which kept on top of what grain was sold to what country. That cost the United States farmers, Mr. Speaker, billions of dollars. What did the U.S. Secretary of Agriculture do in that so-called great free enterprise country? He moved in and put export controls on, because they were shorting the market. They were making a scarcity of grain in that country. However, the Russians "capitalized", if I can use that word, and made almost 100 per cent profit on all the grain which they bought. They moved into that system and bought it up and did it in such a refined, professional way that no one knew what they were doing until it was too late.

Crown corporations, Mr. Speaker, are not confined solely to the federal Government. Every Province has some. So they should, because every Province has the same basic problem as the Government of Canada has, that is, how to provide equal levels of service and opportunities to residents in regions with different natural resources.

I do not hear the Hon. Members opposite, Mr. Speaker, criticizing provincial Governments for socializing the country by setting up Crown corporations. In Saskatchewan there is a huge Crown corporation which looks after potash in that Province. I said to the Deputy Premier, the House Leader and the Minister of Agriculture of that Province the other day: "Are you going to sell the Saskatchewan Potash Corporation?" The answer was: "Of course not; it is making money for us." I said: "Have you got rid of any of the Crown corporations which the previous Government had?" The answer was: "Not yet". I don't know if they are going to get rid of any of them either, because they have been a good thing for that Province.

They have in Saskatchewan, for instance, a transportation system which is owned by the Province and which provides large, smooth-riding, air-conditioned buses all over those roads which are built by the Province. Is that centralizing? Is that socializing? Roads at one time, Mr. Speaker, used to be toll roads. Now they are paid for by everyone. They are paid for by the few who say: "We do not use them; why should we pay for them?" I have not heard one suggestion from the other side that the highway system should go to a toll type of system, that anyone who uses highways in Canada, whether municipal, provincial or federal, should pay a toll charge on them. I have not heard that being suggested. I have not heard that the Members opposite would go back that far in their medieval thinking. However, they have suggested it in some other ways.

I wonder if they should think also of our educational system. Maybe they call that system centralization also. I remember when I first came to this House, the Government gave $26 million to the schools of higher learning in this country. Mr. Pearson was Prime Minister at that time. He said that every young Canadian should have equal opportunity to education. He was going to fund universities and schools of higher learning for those people he described at that time, those "who may live in have-not Provinces which do not have the resources to go ahead with that type of system". Last year this Government gave $4 billion to the schools of higher learning. Are the Members opposite suggesting that that is "centralizing", when education is strictly under the Provinces? They have the control, yet at the present time we are paying over 50 per cent of all administration costs for education. Are the Members opposite suggesting that that is what we should get rid of?

Are they suggesting our church system in Canada, where everyone contributes if they want to, and everyone can attend if they want to, is "socialization" or "centralization"? Are the Members opposite suggesting our parks system in this country is "socialization" or "centralization"? Is that what Members opposite are suggesting, that we should get rid of all those and let someone in the private sector run them? Are they suggesting that our natural harbours and our man-made harbours are something which should be turned over to the private sector? Are they suggesting that Air Canada be turned over to some private system because it is a Crown Corporation and is under a Liberal Government?

Is the mover of this motion suggesting, perhaps, Mr. Speaker, that because Pacific Western Airlines is in the Province of Alberta and owned by the Province of Alberta, that that is free

enterprise because it is under a Conservative Government? Is he suggesting something like that? Does it mean that Air Canada is "centralization" or "socialization" because it is owned by the federal Government and run by the federal Government for the people of Canada, but PWA, because it is in the Province of Alberta, is different?

Is the Hon. Member suggesting, for instance, when freedom of choice on the Crow rate was talked about earlier, something the same as Alberta has for the irrigation districts in Alberta? Under law in Alberta, if you do not turn over the ownership of the headworks of all the irrigation systems in Alberta, you do not share—and that is freedom of choice—in the $234 million special fund which is set aside to assist these people. Is that what Hon. Members opposite call "freedom of choice"? I have met these people. Is PFRA, for instance, "socialization" or "centralization"? These are people who are offering engineering services and so on, and they have made a tremendous contribution to western Canada. Are Hon. Members opposite suggesting that we abolish PFRA?

Mr. Mazankowski: We set it up.

Mr. Whelan: Yes, that is another one. The Hon. Member for Vegreville (Mr. Mazankowski) has asked me to find more funds for the Farm Credit Corporation.

Mr. Mazankowski: Of course.

Mr. Whelan: That is a Crown Corporation. Does he want me to centralize all farm lending in Canada under the Farm Credit Corporation? Is that what he is saying? Is that more "socialization"? Is that what he means? He should say what he means.

In the Province of Alberta the Treasury Board has banks all over the Province. Is the Hon. Member suggesting that perhaps we should get into the bank business? It is probably called private enterprise if it is in Alberta; however, if you suggest it for Canada, you are becoming a very bad socialist.

Over half of the land in Alberta is owned by the state. Most of the mineral resources in Alberta are owned by the state and administered by the State. I do not understand what the Members opposite mean when they talk about "socialization" and "centralization". I can remember when the Government was told to get rid of grain elevators. So I put them up for sale. I can see that the Hon. Member for Moose Jaw (Mr. Neil) remembers it very well. Who bought them in Alberta? That great private enterprise system called the Alberta Government. That was not centralization or socialization because it was under a Conservative Government in Alberta. Therefore they call it private enterprise in Alberta. But when I had them under the Canadian Grain Commission, that was Liberal socialization. I do not understand why when it is good for one, it is not good for the other.

• (1530)

Take the Opposition's view on the media, for instance. How is centralizing under a huge private corporation to have the media under one control any different? When the Government suggests something to try to protect the little person in the media in some manner, the Opposition say that it is bad and that we are interfering. I do not understand how it can be said that the free enterprise system in the media system is working properly when more and more central control takes over in that fashion.

When we were talking about Canagrex in recent days, we heard a lot about how it would own farms. They made a comparison with Russia and Poland. No Russian farmer has the say that the Canadian farmer does. No Polish farmer has the say. It is wrong to make that kind of comparison because freedom of choice will be made and Canagrex cannot be involved in farm ownership. It cannot be involved in any of the things that they mentioned. It can only get involved when asked, and only in exporting.

One Hon. Member mentioned the other day that we would find cans on the shelves with Canagrex written on them. That cannot happen in Canada because Canagrex can only be involved in products for export. The Opposition called it socialism and the taking over of the last bit of free enterprise in Canada.

Those Members have heard me and know how well that I understand and appreciate agriculture in Canada. I recently met with Mr. Gorbachev here who was from the Politburo. I must say that he was entertained royally in Alberta. I appreciate their paying for part of the Bill. He met with the Premier of Alberta when he was there. The Premier of Alberta is paying $40 a tonne in subsidy on canola crushing plus $9 a tonne freight assistance. Who was he trying to sell it to? The Soviet Union. The Premier was saying what a great product it was, and I agree, but he is giving the Soviet Union $49 a tonne more than Saskatchewan or Manitoba could. He has the resource of a great pile of money which he can take out by the handful now and again. He could control the canola industry in Alberta if he continued this long enough because the other industries would be depleted both in Saskatchewan and in Manitoba.

I have direct responsibility for several Crown corporations and agencies. I assure all Hon. Members that they work well on behalf of the Canadian farmers and Canadian consumers. The Agricultural Stabilization Board and the Agricultural Products Board have used Canadian taxpayers' dollars wisely to keep the agri-food industry financially strong and viable. The Hon. Member for Essex-Kent (Mr. Daudlin), who spoke to me just before I rose, came to tell me how well the Agricultural Products Board was working with the food processing industry in Ontario in order to save it by buying its product. He was saying how it worked well with the Province of Ontario on loan assistance it had given to a canning factory and how the two Governments were accomplishing this. Does centralization or socialization mean making sure those industries stay alive? I do not think it is. I think that is what we want.

I heard one Hon. Member talking in the House recently about Koreans and using brainwashing tactics, that if you told people often enough, you wore them down and they believed it.

I have never heard any better description of what the Opposition were doing when saying what Canagrex would do to our society.

The Agricultural Products Board has had the power to buy and sell since 1952. I would ask Members to do some research and find any time when that Board has had its powers abused by any Minister, whether Liberal or Conservative, since that time. They will find that it has not been abused.

What can the Agricultural Products Board do? It can buy up surplus quantities of food production to forestal market disruption and then put it back into the system when prices are stable. We have bought grapes that have been turned into brandy. It was made from red grapes when people discontinued drinking red wine. I can tell those Members that if they want some brandy, they can even use for Sacramental wine if they wish; it is of high quality. Our rules and regulations for making brandy or any spirited beverages are much more strict than those of any other country in the world.

Let me return to the Farm Credit Corporation because that is one of my favourite topics. While Hon. Members on the other side may be as honest, I wish they would show the honesty shown by the Hon. Member for Vegreville (Mr. Mazankowski) when he talks about the Farm Credit Corporation. He has said that it must have more funding to look after the needs of farmers. I see his colleague, the Hon. Member for Moose Jaw nodding his head in full agreement. At one time the Farm Credit Corporation had 60 per cent of all long-term credit mortgage loans in Canada. We then asked the private sector to move in. The private sector moved in in a big way. We dropped down to 22 per cent of long-term mortgages for farmers in Canada. Then all hell broke loose. When the farmers called for long-term mortgages, what did the private lending institutions say? They told them to go to the Farm Credit Corporation. We have lists upon lists and applications upon applications.

Mr. Mazankowski: Do not take over the farms. That is what we are saying.

Mr. Whelan: When I have to go to the money market I hope to get the support from those Members to get that money for the Farm Credit Corporation. I hope they will not then say that the federal Government is again increasing its debt load and affecting its credibility in the rest of the world.

Let them be honest when they talk about socialization in the agricultural industry. With respect to my share of the federal budget, no country in the world spends as little per capita as we do on agriculture. No country in the world has as healthy an agriculture industry as we do. If those Members want to talk about socialism and communism, let them see how much money those countries pour into agriculture. They would be very pleased to have only half of the agriculture industry that we have. A member of the Russian Politburo who visited us was quite honest when we showed him our meat packing plants, our food processing plants, our dairy farms, beef farms, and grain farms. He was utterly amazed at what he saw. He said, "I heard so much about it but I had to come and see for myself."

Certainly our industry was built by agencies such as the Farm Credit Corporation, the Agricultural Products Board and the Canadian Dairy Commission. It was built by these agencies, and some people call that centralization or socialization. But they are necessary in our country. When they talk about proliferation, let me say that I could have brought Canagrex in by Order in Council. I chose the legislative route. Some farmers have said I am wrong, but I think it has been an education for many people here.

I can go on to talk about all the great things we have done to build this country and its agriculture industry, which has been the envy of such huge countries in the northern hemisphere as China and the Soviet Union as well as many smaller countries in the northern hemisphere in regions that are similar to ours. We have long cold winters and a short growing season. I find what we have been able to do in our country phenomenal.

• (1540)

I see, Mr. Speaker, that you are making motions—

The Acting Speaker (Mr. Blaker): Order, please. There is no difficulty if the Minister wishes to continue, but he would require the unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Neil: Mr. Speaker, the Hon. Minister spoke about going to the money market for funds for the Farm Credit Corporation. The Corporation did, in fact, go to Europe and borrowed money at, I believe, 12.75 per cent. For a number of years Members on this side have promoted an agri-bond concept and another concept regarding capital gains tax whereby the Farm Credit Corporation could borrow money at about half that rate. The Minister has never made any attempt, as far as we can determine, to implement that concept. If he is interested in the farmers of this country and in having cheap money available to them, why has the Minister not been trying to sell that concept to Cabinet? Would he tell us that, please?

Mr. Whelan: Mr. Speaker, the Hon. Member knows full well that the committee appointed to look into how the investments of banking systems should work recommended very strongly against that. They were people mostly from what we call the blue chip committee because they were from the lending institutions. There was consultation with the Government, and they did not recommend that concept. I still think it is a very good idea.

The Hon. Member if wrong when he talks about the money borrowed. We borrowed money at 11.25 per cent in Canadian funds for ten years repayable in ten years in Canadian funds. It is a very good rate of interest we were provided. None of the lending institutions at the present time will lend anything, as

far as I know, over three years at a fixed interest rate. The last rate I had quoted for three years was 15.75 per cent. The Hon. Member knows very well that we have entered into an agreement with the Province in which he lives, that is, Saskatchewan. It has a loan program to assist young farmers who are starting out. That program is one whereby we lend the money to them, the Province moves in and funds are subsidized by 5 per cent. It brings the interest rate down to 8 per cent for young farmers for the first five years of the mortgage. The Province of Ontario is trying to negotiate such a program at the present time for its young farmers. Neither one of those Provinces is promoting the agri-bond, and they are Conservative Provinces. If we got the support of those Provinces, probably we would have more support in getting the program through the Government of Canada. The Hon. Member for Moose Jaw could use his influence with the Conservative Government of Saskatchewan and perhaps get it to say "We want the agri-bond system". I believe, as the Hon. Member for Moose Jaw does, that it is a good system. But I have not been successful in getting it through.

Mr. Neil: Mr. Speaker, I am disappointed the Hon. Minister has been unable to get the scheme through Parliament. He talks about listening to a committee made up of high calibre lending people, and so on. If the Minister is seriously concerned about the plight of the farmers and there is a way to make this money available without subsidization, surely he must be able to sell Cabinet on it. If he is unable to sell the system to Cabinet on his own, perhaps he would like to invite some Members from this side of the House to go with him and make representations to Cabinet.

Mr. Beatty: You will never get into Cabinet that way.

Mr. Neil: If the Minister is serious, not only will he be helping the farmer by lowering interest rates but he will also help those farmers who have spent a lifetime building up their farm assets cut back on their capital gains tax. Many farmers have spent their lifetime building up their farm assets. They have no ready cash. They look forward to the day when they can sell their farm and equipment and have the money to buy a house in the city. But by the time the Government takes its share of income tax and capital gains, there is nothing left with which the farmer can build a home.

Mr. Whelan: Mr. Speaker, the Hon. Member questions my sincerity about this. I have checked the records and I do not believe I saw his name or that his Party presented a brief to this committee on the very thing he is proposing today in the House. They had that opportunity They were invited to do that kind of thing. Anyone could make a presentation to the committee when the hearings were being held. I may have missed it by omission, but I am sure the Hon. Member, who speaks with such sincerity about this today, must have presented a brief.

Mr. Orlikow: Mr. Speaker, I have a question for the Minister. In the motion we are discussing today it suggests that the federal Government is centralizing policies and has interventionist policies. The Minister, in explaining the Government's decision, described the functions of the Dairy Commission and other marketing agencies. I understand there are a number of marketing agencies operating in the Province of Ontario. Could the Minister give me some information concerning these marketing agencies, which products are under the jurisdiction of these agencies and whether these agencies set up and operated by Conservative provincial Governments are different in any way from the agencies set up by the federal Government?

Mr. Whelan: Mr. Speaker, the Hon. Member asks a good question. A lot of people are under the impression that all the marketing boards in Canada come under the jurisdiction of the Minister of Agriculture. Really there are only three marketing boards as such: the Egg Marketing Board, the Canadian Chicken Marketing Board and the Turkey Marketing Board. Then we have commissions. We have the Canadian Dairy Commission and we have the Canadian Wheat Board. Those are the main ones we have dealing with products in Canada. Each Province has many marketing boards. They are very powerful. They have control over supply and control in some instances, over price. They have an array of powers.

The Hon. Member says there is not one provincial Minister who would not want marketing boards, and actually I have never heard one provincial Premier of any Party, Conservative or other—but they are practically all Conservatives in Canada at the present time—say he does not want any more. Just recently we had a meeting of the signatories to the poultry agreements that we have for national marketing in Canada. What the Minister from Ontario said is recorded. He said that he was a strong believer in supply and management as long as these marketing boards are run well. I believe in Ontario there are forty-some marketing boards that have to do with products. Actually, Ontario and British Columbia were the creators of marketing boards. I believe it was British Columbia first. It goes back to 1928, I believe, for the dairy producers in the Fraser Valley, who had the first farming board to market milk.

One of the largest marketing boards, as we know, is the Canadian Wheat Board. People were not allowed a choice when the Wheat Board was imposed upon them by a Conservative Government. It was said that in five years farmers would have a vote. The World War came along. They had an excuse for not having a vote. Farmers did not have a vote, I believe, until 1947 but then they voted about 85 per cent in favour of the Canadian Wheat Board. The Canadian Wheat Board is the largest marketing board in Canada. It has tremendous powers. It is protected against imports. You cannot import any grain under the authority of the Canadian Wheat Board unless you get a permit. That includes the Minister of Agriculture, Mr. Speaker. Even if he wants to bring in a bushel of grain for research, he has to get a permit from the Canadian Wheat Board to use that wheat in Canada.

• (1550)

Mr. Skelly: Mr. Speaker, I would like to pose a question to the Minister of Agriculture (Mr. Whelan). It pertains to the great job of intervention and protection of the public involvement, and it involves grain inspection in Canada. It pertains directly to agriculture and Government involvement.

It is my understanding that the Government intends to reduce the presence of meat inspectors in a variety of slaughterhouses and meat packing operations across the country and allow certain companies to undertake their own inspections under the authority of these meat inspectors even though they were not present. The responsibility for those seals would be placed in the hands of company officials. Basically, what would happen would be that the responsibility for supervision of the protection of the public and the degree of sanitation and health protection would fall on those who are to be regulated. Basically, the individuals who are to be regulated would be regulating themselves without adequate supervision and there would ultimately be a serious situation concerning public health. As I understand, there has already been a large number of violations and concerns about procedure in meat plants. In spite of this, the Minister and the Department intend to go ahead and reduce the presence of federal inspectors in those positions. Would the Minister be prepared to outline just how he can justify that kind of situation?

Mr. Whelan: Madam Speaker, we will not downgrade the meat inspection in Canada. We will not cut our staff. If we had more funds, we would probably add more staff at the present time. In Canada, we have one of the best inspection services for meat products that there is in the world. One can make a comparison. We have 541 plants in Canada which are federally inspected, which are approved for export to the United States of America. In essence, what that means is that any meat we feel is good for domestic consumption is good for export, or vice versa. Some countries just have inspection for export to meet the standard. For instance, the United States, which is a big country, only has 141 plants which will meet our inspection criteria to export meat to Canada.

I know full well what the Hon. Member is discussing, because it involves a little plan in his area where consideration is being given to withdrawing an inspector who has been there, I believe, since the 1950s. That inspector has not been withdrawn, and I do not think that he will be, because the order that I issued was that he had to stay there, and that if a service had been provided for any length of time, there was no way we could downgrade it. In no way will we be allowing a company to do its own meat inspection and then try to export the product, because with the present international trade agreements, the product would not even be accepted.

As the Hon. Member knows, there is some inspection which is run by the Provinces. At one time there were many problems, and there has been a lot of publicity, but no significant breakdown in our inspection system has ever taken place. As far as I remember, when bad meat was being sold, and this type of thing, it was all out of provincially-inspected slaughtering and meat packing plants. There was a wild rush at that time for us to provide inspectors for their meat plants with the CDA inspection stamp of approval on them. We did not have that many inspectors to do that. People recognized that it meant a pure, good product if it had the inspection stamp of approval from the CDA. If products are to be shipped across interprovincial or international borders, they must have that inspection. Some of the Provinces depend solely on the Canadian Department of Agriculture Inspection Service for their meat packing plants. Some of them have a combination of both federal and provincial inspection, and some are only provincially inspected plants, but in these cases, as far as I know, they are doing every bit as good a job as we are with the training that they are giving their people, the technicians and veterinarians on the job. There may be the odd time when we find people a little bit lacking, but if their lacks are pointed out to us, they are either fired or removed from their jobs, and that is for sure.

Mr. John Thomson (Calgary South): Madam Speaker, I listened carefully to the remarks of the Minister of Agriculture (Mr. Whelan). I guess what really amazed me more than anything else, and I was trying to figure it out, is by what convoluted type of reasoning, when he was speaking of churches, highways and our education system, he was relating them to interventionism. I couid not quite understand it. What do churches and highways have to do with interventionism? I have listened to the Minister of Agriculture for four years. I guess we must give him credit for one thing: he is a master of bafflegab. However, I have never in my life heard anything like I heard today when he tried to relate churches, highways and our education system to interventionism. That really escaped me.

I just wonder how long the Minister believes he will fool the Canadian people with that kind of reasoning and nonsense, because that is what it is, just nonsense. I do not know whether the Minister knows it or not. Maybe he has been around here for so long that he does not understand it any more. All this nonsense just comes off him like water off a duck. I do not think that the Canadian people will put up with that kind of nonsense for much longer, not any longer than it takes us to get to the next election.

Mr. Regan: Do you think?

Mr. Thomson: Canadian people have had it up to here with that kind of baloney, just baloney. If the Minister does not know this, I will not tell him, but Canadian people do not trust him. They do not trust his Government any more. Perhaps it is not so much because of interventionism. Does the Minister know why they do not trust the Government? They do not trust it because of what it let the former Minister do and how it rewarded its own at the public's expense. They do not trust it because the former Minister of Energy, Mines and Resources put one Michael Phelps on his payroll at public expense. He abused the public trust. That is why the Canadian public does not trust the Government. They do not trust it because the Minister of State for International Trade (Mr. Regan) uses

public transportation for the benefit of his own family. That is why the Canadian public does not believe in the Government any more. They do not trust it and they will kick it out.

Mr. Whelan: We'll see about that.

Mr. Thomson: I listened this morning to the laughter. Maybe it will not be too long before Eugene has the happy experience of joining the ranks of the unemployed in this country. Maybe if he were among those people he would understand the importance of a $1.4 billion loss which was incurred on the public's behalf. I wonder how all of the 1.5 million unemployed Canadians feel about that kind of waste, extravagance and gross mismanagement. I would be interested in knowing just how they feel about that. What they do not know, because the Government will not tell them, is about all the other disasters which are buried every day by the Government. Canadair is only the tip of the iceberg.

I listened with interest this morning to the Minister of the Environment (Mr. Roberts). The Minister was to tell us all the good things his Government has done for Canadians. What the Minister really fails to understand is that what the Liberal Government has done over the last 15 years has been to destroy individual initiative in this country. The Minister does not have any appreciation whatsoever of that fact. It always seemed to me that the greatness of Canada was the greatness of our opportunity to go out and build, to create, to strive for something better in this life. In the last 15 years the Liberal Government has taken much of individual initiative away from Canadian people. That is why we are in this predicament today. Hon. Members on the other side of the House and those in the socialist Party to my left do not understand that that is at the core of the problem in the country today. What is individual initiative all about? That is what creates jobs. Governments do not create jobs. Governments spend money. Governments take in money with one hand and spend it with the other, and in the process about 30 per cent is lost.

• (1600)

I would like to refer to one thing which makes me so angry with the Government. When I return to my home riding of Calgary, I am saddened to see the needless devastation caused by the Government and its National Energy Program. Either it does not understand or it does not care. The Government has no idea what its National Energy Program has done to western Canada. Does it realize that there are 80 rigs running today in western Canada or how many there were before the National Energy Program was invented as a socialistic experiment of interventionism on a scale which had never been seen in the country before? Government Members ought not to be very proud of themselves. Are they proud of the 25,000 men they put out of work in the oil well drilling and servicing industry? Do they care? No, there is not a vote in western Canada. I can assure them that there will never be a vote for the Liberal Party in western Canada as long as I live. Let us remember the devastation that program has caused in western Canada. What for? Also it caused human misery. In aid of what? What has the National Energy Program accomplished? It is built upon bureaucracy. The people of Canada should know that the Government had to erect an office building to accommodate 4,000 people in EMR today. There are actually 20,500 and some odd people employed in the Department of Energy, Mines and Resources today. There are 600 employees looking over forms, deciding the level of Canadian owership, the core rating. Who cares what is the level of Canadian ownership if it is creating jobs? What is so magnificent about a company that happens to be 70 per cent Canadian owned but broke?

They have Canadianized the oil industry, but they have bankrupted Canadian companies and foreign controlled companies are prospering as they never prospered before. The Canadian part of the industry is broke and bankrupt. This is why there are 80 rigs running in Canada. The National Energy Program is so good and so magnificent that there are 80 rigs in western Canada today looking for oil and gas!

Mr. Breau: That is because the price is down, and you know it.

Mr. Thomson: The Hon. Member does not have the faintest idea what it is all about. He does not understand the industry and he does not care.

The saddest part of it is that I happen to know that the Prime Minister (Mr. Trudeau) has stated that the National Energy Program is a disaster. The former Minister of Energy admitted in private that it is a disaster. The new Minister of Energy, Mines and Resources (Mr. Chrétien) admitted that it is a disaster. Do they do anything about it? No, because that would be to admit that they made a mistake. The Liberal Government does not make mistakes; it has never made a mistake! Has anyone ever heard the Liberal Government over the last 15 years admit that it made a mistake? Is Canadair not its responsibility? That $1.4 billion lost by Canadair, is it not the Government's mistake? No, it indicates that it is the fault of the management of Canadair.

If I happen to be the president of a company or on the board of directors of a company, do I not have responsibility for the operations of the company? If it loses money, do I not have a responsibility to the shareholders? The Government and the Prime Minister are telling us that they are above all that, that it does not make mistakes and that it is management which makes mistakes. They tell us that it is not their problem because they appointed a bunch of Liberal hacks to the board of directors. Also they indicate that it is not their fault that it took six years to take off the financial statements of Canadair so that Hon. Members of Parliament would know where the company was going. They think that it is not their problem. The Minister of Agriculture would not understand the fiduciary responsibility which goes with his appointment as a Member of Cabinet. It is not their responsibility, they do not make mistakes, they are above making mistakes! I suppose they are not ordinary people and are not like the rest of us. They hold themselves above the rest of us. We are just ordinary people.

Over the last 15 years—and this is why I became a Member of Parliament—the Liberal Government has deliberately and

slowly strangled individual initiative in Canada. The saddest part of it all is that it cannot even see it. It is blind to it. Do Hon. Members know why they are blind to it? It is because they are committed to a concept of control and regulations. It is part of their make-up, it is a part of their physiology. They have to control and regulate people, which is the whole purpose of Liberalism.

They believe they have to interfere in the lives of people because ordinary citizens of Canada are not capable of making decisions for themselves. They think they know what is best for ordinary citizens. They decide what is best and tell them what to do. The Government thinks it knows more about the oil and gas industry than all those "crazy" oil and gas companies in western Canada. It wants to put bureaucrats in place to tell them what to do and to go out and find oil and gas. Does anyone really believe that 20,000 bureaucrats in Ottawa, some of whom are in the Petro-Canada tower, will improve the lot of Canadians by going out and finding more oil and gas? Does anyone really believe that? Hon. Members opposite believe it because it is ingrained into their system. They want to control. They want to regulate. They love it. They thrive on it. It is their daily manna.

Canadians today are wondering why we are not as productive as some other countries in the free world. Canadians ask me why there are 1.5 million unemployed. Young people leaving university today are asking why they cannot find jobs. Government Members rise here and say, "Well, it is really not our fault. There is a world-wide recession, so it is really not our fault. We do not make mistakes. It is not our responsibility."

• (1610)

I would like to ask the Minister of Agriculture where his Government has been for the last 15 years. We have not been in recession for 15 years. What has this Government done? Name one thing other than to take step after step to strangle individual initiative.

Mr. Breau: Do you believe that?

Mr. Thomson: I would not be here if I did not believe that. What do you think the Canadian Development Investment Corporation is doing? You believe that by forming this corporation with Mr. Joe Bell, the magnificent Senator Austin and Maurice Strong, it will save this country and Canadair, making it a viable operation together with de Havilland? Do you believe that this will contribute to the welfare of Canadians? Do you believe that Senator Austin, Joe Bell and Maurice Strong will do us any good? What have they accomplished in their whole lives, any one of the three of them? Zero. A great big zero. They got a law degree and that is the total sum of their contribution. In addition to their law degree, they are also Liberals, which makes them part of the elite.

If you are going to drill a hole in the ground to try to find oil and gas, you usually hire someone who knows something about doing that. You do not hire a lawyer to drill a hole in the ground; at least most sensible people do not do that.

The Liberals would probably do that because they know everything about everything. The Liberals believe, as do their partners in the NDP, that the guiding principle should be that more Government is better Government, big is beautiful, that we should have more Government, more regulation and ways to further control and redirect the lives of Canadians, telling them what they should be doing. We will see a lot more of that. It is not only the National Energy Program, but look at what the Foreign Investment Review Agency has done for us.

Most countries of the world, even the communist countries, are looking for investment capital. Most countries of the world want investment capital in order to provide jobs for their citizens and to build new industries. Not in Canada, no Sir! We want to slam the door on foreign capital.

Foreign-controlled companies that come to Canada should be good corporate citizens. However, that does not have anything to do with the money they put into this country. A dollar is a dollar in so far as creating a job is concerned. We should be creating a situation where we ensure that foreign capital behaves as a good corporate citizen, and that is all.

We need investment. This is a huge country desperately in need of capital today. There is a shortage of capital all over the world. To listen to the economic nationalists opposite, one would think we did not need any capital to create jobs for the 1.5 million unemployed Canadians.

The Government likes to intervene. It wants to control the media. It thinks there is a conspiracy among the media to tell the wrong things. It has the CBC to say what is right. We need $800 million Canadian taxpayer's money every year so that the CBC can tell us what the Liberal Government wants us to hear.

So far the Canadian newspaper industry has been privately owned. In the 50-odd years of my life, I thought the newpapers had done a reasonably fair job of recording the facts. What would concern me more about a corporate concentration in the newspaper industry would be for this Government to get its hands on it. Can you imagine the fun it would have controlling the media? Do you have any idea?

Every day each Cabinet Minister puts out a press release through his or her press secretary. Do you know how the press secretary earns his livelihood? It is by feeding the press information and news releases every day. It is a bigger propaganda machine than Herr Goebbels ever had.

The Acting Speaker (Mr. Blaker): Order, please. I am sorry to interrupt the Hon. Member, but his time has expired. Perhaps he might like to seek the unanimous consent of the House to continue or, in the alternative, rely on the question and answer period. Shall I inquire whether there is unanimous consent? Is there unanimous consent to allow the Hon. Member to continue?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Blaker): There is not unanimous consent.

Mr. Orlikow: Mr. Speaker, I would like to direct a question to the Hon. Member. In a recent issue of *Business Week,* an article on the Exxon Corporation stated that $4 million to $5 million was invested in an oil shale plant in Colorado and that the operation closed down before going into production because the price of oil had gone down. An article in a recent issue of *Time* magazine indicated that a large number of oil rigs were mothballed in the Gulf of Mexico, not working and not drilling. The United States has the most pro-business Government, a Government which believes in free enterprise, less control of business and less regulation, which it has had in 50 years, namely, the Reagan administration. That country does not have a Liberal Government or a National Energy Program, yet the energy industry in the United States is a way down from what it was a couple of years ago.

Is not the reason for that situation in the United States the reason for the similar situation in Canada, namely that two or three years ago the price of oil was expected to increase by 10 per cent or 15 per cent a year and that the price in a few years would be $70 or $80 a barrel? Is that not in fact the main reason why oil exploration and drilling has either stopped or been reduced dramatically, not just in Canada but in other countries as well, rather than the federal Government and the National Energy Program being entirely to blame?

Mr. Thomson: Mr. Speaker, the Hon. Member makes a good point. It is interesting that he likes to apologize for the National Energy Program on behalf of the Government. I guess the socialists really helped in a lot of ways to create the National Energy Program. It is true that there has been a fall-off in exploration activity in the United States. There are really two parts to the explanation. First, the industry was very badly overbuilt in the United States. In the period around 1977, the industry in the United States was operating almost at capacity, with 2,000 land-based drilling rigs and about 60 offshore rigs in service. That inventory of drilling equipment was very rapidly expanded as the price kept going up, to a level of something over 5,000 landbased drilling rigs in the United States. So you can see, Mr. Speaker, that it increased by 150 per cent in a period of four years. The drilling industry in the United States has returned to about the same level of exploration as was being carried out in 1977 and 1978, and there is a very, very high level of exploration activity still proceeding in the United States with about 2,200 rigs at work.

• (1620)

I would also inform the Hon. Member that I happen to know that the industry is extremely active in the Gulf of Mexico at present. The United States has only a seven year supply of natural gas reserves left and the reserves of gas in the Gulf of Mexico are very sizeable and are being explored very aggressively.

Perhaps the Hon. Member could refresh my memory as to his question if I did not answer the latter part of it completely.

Mr. Orlikow: Mr. Speaker, my question was a very simple one. I asked the Hon. Member whether the drilling for conventional oil or the planning and building for the extraction of oil from shale rock in the United States or the extraction of oil from tar sands in Canada was predicated, by the industry and by the federal and Alberta Government, on the notion that the price of oil would go up 10 per cent or 15 per cent each year so that by the time the tar sands plants came onstream, the price of oil would be about $70 a barrel and would be competitive with conventional oil. That is not happening, and so I would ask the Hon. Member whether it would not be honest for him to admit that unless the price of oil will go up very substantially in the next few years, it will probably not be economically feasible for anybody, the Government of Canada, the Government of Alberta or private industry, to go ahead with tar sands or with very expensive conventional oil exploration.

Mr. Thomson: First of all, Mr. Speaker, there is a very great difference between oil sands and oil shales. Extracting oil from oil shales in the United States is twice as expensive as extracting oil from oil sands in the Athabasca area of Alberta. Not only was Exxon but a good many other companies were optimistic about making a technological breakthrough that would allow them to recover oil from oil shales at something like $50 a barrel. In fact, those companies could not make that technological breakthrough that would reduce the cost to that level, and the cost would have been something in the order of $75 a barrel.

In the case of the oil sands in Canada, I think that it is fair to say that there would have been an advanced oil sands plant today had it not been for the punitive taxation that was introduced by the National Energy Program.

Mr. Skelly: Mr. Speaker, many people in the country and in the House are faced with an interesting conundrum stemming from the immoral and dishonest approach of the Government. I could point to examples of this within the National Energy Program that really stand out. But on the other side of the coin, Mr. Speaker, is the basic dishonesty in the approach of the Conservative party to important questions dealing with the national energy policy.

I would point out that the Conservatives have failed to put one alternative on the record that would be acceptable or reasonable. The Conservatives criticize the Government without taking the responsibility of placing options before the people of the country. The Conservative Party would remove regulations and give control back to the multinational corporations. I would like to hear the Hon. Member from the Conservative Party talk about going to world oil prices and turning control back to the seven sisters in the country, which would basically put Canadian people out to hang.

Mr. Thomson: Mr. Speaker, the Hon. Member says that the Conservative Party does not make any positive recommendations about what it would do. A great many of my colleagues and myself have consistently said that first we would decontrol the price of domestic oil and natural gas and let it move to a market system. Second, we have said that we would scrap the

PIP grants and subsidies that are given to oil and gas companies. Canada is the only country in the world in which the Government pays money for dry holes. With the savings made by not paying for dry holes, we would introduce a system of incentives to replace the PIP grant that will prompt exploration. Third, we would abandon the well head tax called the owners petroleum gas and revenue tax, a tax that is stripping all the incentive away from Canadian and foreign companies. We would take away that owners' tax that represents such a crushing burden on the industry. That tax is why there are 80 rigs working today and no new oil and gas is being found. Those are the three policy proposals that we have put forward.

Mr. Herb Breau (Gloucester): Mr. Speaker, I enjoyed listening to the speech made by the Hon. Member for Calgary South (Mr. Thomson). He speaks passionately about what he believes in and that is what Parliament is all about. I always appreciate listening to him because he brings to Parliament a knowledge of his region and the industry with which he was involved. That knowledge is of great benefit to the debate. I always enjoy hearing politicians who have had a background in business speak because I am from a family that has always been in business. I studied business administration at university and I was briefly in business full time before I entered politics. I do enjoy hearing people with initiative who have been successful.

Where I depart from the Hon. Member's views, is where he suggests policies, because he displays his Party's impatience and sometimes almost intolerance for the other point of view. He speaks as though only the business point of view counted in matters of national interest. In his Party's view, when it comes time to implement public policy on behalf of the people, unless we follow to the letter whatever the industry wants to do or whatever business wants to do, either we do not know anything about it or we are supposed to listen to the view of business.

I suspect that my hon. friend will be in the House for a few years and I hope that with the years he will temper the opinion that he expresses so eloquently on that point of view with a little more realism and a little more appreciation for complex problems. Canada is a very complex country to govern. Particularly in the last two or three years, I feel that the approach of the Conservative Party to these very important national problems—the question of the National Energy Program, the question of the Constitution and a few other questions that have been of crucial importance to the country and have been debated in the House in the last few years—has demonstrated its incapacity to grasp the complexity of the problem. It continuously comes forward with simple solutions. Mr. Speaker, simple solutions to complex problems just do not work.

Somehow I think that the Conservative Party really does appreciate this. When I look at the motion of the Hon. Member for Vegreville (Mr. Mazankowski), I see that it is very skillfully drafted. In that motion, there is a dimension in terms of Canadian politics that goes beyond the issue of intervention in the economy and beyond ideology and the question of more or less Government ownership or, as his motion reads, socialization. It also goes beyond the question of centralization in one level of Government or another. I do not understand why they do not come out and say what they are expressing, only in part, and that is, some regional frustration. Some people in the Conservative Party who are spokesmen for their regional interest—and I do not fault them for that as it is their role to express that frustration—say through the Governmnent, "What you are doing to my region is wrong."

• (1630)

I do not understand why they want to mix the National Energy Program and the Constitution. I do not understand why it is not possible for them to say, in terms of industry and public policy, that we should have either more or less Government intervention in the energy sector. That is debatable, Mr. Speaker. What is the proper balance in a country like Canada on the question of how much Government intervention there should be? That is one issue.

Another issue is the regions versus the centre, one region versus another region or the centre versus one region. On the National Energy Program the Conservatives expressed a fear of socialization. But if they want to be honest, particularly those from Alberta, how can they be against Government intervention when their provincial Government, with which they do not dissociate themselves, is the most interventionist Government on energy matters in Canada? I do not want to make a judgment on that as it does not concern me that much, but the Alberta Conservative Government understands that on some of the issues it has Alberta's interests at heart and it does not deal with these problems simplistically.

When the Government of Alberta decides to buy an airline, I see that as a policy instrument, as a politicization of the economy in terms of saying it wants to have a transportation policy that will ensure the development of the economy of Alberta in the future. I do not see how Hon. Members opposite can be against having state intervention.

Hon. Members opposite talk about the disaster of the National Energy Program and the negative effects of the PGRT. They say it skims cash from the cash flow of companies. They do not say anything about the Alberta royalties that are the highest in the land, the highest of most western industrialized countries, royalties which skim the cash flow off the companies. If the Conservatives want to be honest with themselves they will realize that they have a responsibility to tell us where they stand on that issue. I can understand Members from Alberta and from the West generally expressing a regional frustration with the National Energy Program.

As a Liberal from eastern Canada I am very concerned. Even if I am not from the West and even if I do not have a background in the energy industry, I can understand that. The Hon. Member for Calgary South (Mr. Thomson) and a few other Members interjected a little while ago and demonstrated the intolerance they sometimes have for the other point of view. Apparently you are not supposed to know anything about the energy industry if you are from the East or if you are a Liberal or if you are not from the energy industry.

Mr. Thacker: It is just that you prove it sometimes.

Mr. Breau: The Hon. Member for Lethbridge-Foothills (Mr. Thacker) says it is because I prove it sometimes. Hon. Members opposite prove a lot of things sometimes too. I have never said to a Member from another region of the country that he should not have a point of view on the fishery in the Atlantic Provinces or on the forestry policy because it is an industry that is important in my constituency. I do not tell them that they should not have anything to do with the 200-mile limit or the law of the sea because they are from a land-locked Province. I do not expect that they will have spent as much time on the dossier as I have, but I do not say that they should not be able to contest what I say. The day we start saying that, we have no tolerance for the other point of view.

Conservatives must become more responsible regarding these matters. As a Liberal from eastern Canada who has been here for the 15 years that are supposed to have been so terrible for the country, I admit that there is a regional dimension to the National Energy Program. Part of the concern in this Party, leading up to the years 1979-80, was for the national interest as we perceived it. I wish that in this country and in this Parliament particularly, one could speak one's mind about the national interest without being accused of being against another region. That burns me up, Mr. Speaker. Just because I give my perspective as a New Brunswicker—and that is not a powerful Province, economically or politically—then am I not supposed to give my view of the national interest because it may turn out to be a different view from that of Members from the West? That does not lead to mature debate. We should be able to have tolerance for those who disagree with us even if we express regional frustration, or it will become impossible to govern this country. It is a very complex country to govern in any event. In a certain sense we are governing the country against every natural and geographic factor. The Conservatives should understand that.

Why are the Conservatives having a leadership convention this weekend if this country is not a complex one to govern? Their own orientation as a Party is complex. They have their own problems in trying to determine where they should go. They know very well they are not involved in a leadership convention only because of the seasonal values of the Right Hon. Member for Yellowhead (Mr. Clark), but because this country is confronted with very tough problems and choices. They have not been able to come out with a cohesive position on some matters. It is not a sin to admit that in your Party there is difficulty in coming to an orientation. If the country is simply to govern, why did the Conservative Party have a leadership problem? It is because some factions in that Party attempted to simplify the solution to those complex problems.

I have said that I admit there is a regional dimension to the National Energy Program. Should we have policy instruments that encourage more private sector involvement or instruments that encourage more federal or provincial Government involvement? Apart from that, there is the question of how a federal Government policy instrument affects the West. I can understand that westerners are going to be concerned about that. It is a legitimate question. If that is what they want to express, they should express it clearly. They cannot try to bluff their way into this issue. They play with words and say that the centralizing and interventionist policies of the Government are an ideological thrust aimed at introducing socialization of the Canadian economy by the back door. What they want to exploit is the fear, perhaps the legitimate fear, in the West—I am not the best judge of that—that perhaps all of these efforts of the federal Government are efforts at socialization or socialism. If that is what the Members opposite want to say, then they should say it clearly. However, they are trying to mix the two, the regional and the policy aspects. I say that they are dishonest when they do that, Mr. Speaker, because their own Party, when they are in power provincially in the West, in the energy sector, has been very interventionist. Members opposite do not say that that is socialism. They do not say that that is interventionism. It will be interesting to see if the new Tory Government in Saskatchewan is going to do away with all those Crown corporations. I do not believe it will, Mr. Speaker. It will make a judgment on what is best for the electors and the people of Saskatchewan.

• (1640)

[*Translation*]

Mr. Speaker, in my opinion, when we are dealing in the House with issues that have a regional dimension and concern the interests of one particular region in relation to the central authority, it is very important to discuss such questions in an atmosphere that encourages, mature and adult debate, in the course of which any comments that are made reflect tolerance for and patience with the views of those who come from other parts of the country.

In my speech, I would like to refer briefly to a speech made this morning, before the lunch recess, by the Member for Wellington-Dufferin-Simcoe (Mr. Beatty), when he said that in the last 15 years, or rather, to quote exactly what he said, when the present Prime Minister (Mr. Trudeau) retires, we shall find that in Canada, the rights of Canadians . . . and in my question, I asked him whether I had understood correctly, and he said yes, that the rights of Canadians had become more restricted compared to what they were in 1968. I then asked him how he could say that, when this was the party that had introduced language rights, first in federal Government institutions, and then as one of the mainstays of our plan to patriate the Constitution. Anyone who rises in the House and says the rights of Canadians have been circumscribed in the past 15 years is showing his ignorance of the fact that language rights are a social, human and public right. Technically, I would not say these are fundamental rights, but I do say that it is essential that the country should have language rights of this nature.

This Government, led by the Right Hon. Prime Minister, is the one that introduced the concept of enshrining rights and freedoms and language rights in the Canadian Constitution. This proposal was opposed in the House by the Progressive

Conservative Party for months, while it was not certain whether or not it would listen to what the Provinces were saying, and now an Hon. Member who is one of the major critics of this Party is rising in the House to say that the rights of Canadians were circumscribed by the Government. Either the Hon. Member is showing his complete ignorance of the situation in Canada or he is being extremely sloppy in his criticism.

Mr. Speaker, while the Hon. Member for Vegreville (Mr. Mazankowski) says in his motion that the policies of the Government are a definite and present threat to the freedom of Canadians, and the Member for Wellington-Dufferin-Simcoe is trying to say that the rights of Canadians are being circumscribed by the Government, I take great pride in saying that they are wrong and will continue to be wrong, that this is utter nonsense, and that Canadian political history will show that the period from 1965, even before the present Prime Minister came to power, until now, will be known as a period when the development of social, human, civil, political and fundamental rights, and that includes language rights, was unique in this country's history, and I would even go so far as to say that no other democracy in history can compare with the political development of Canada in this particular area.

I do not mean that the Liberals should take all the credit, but the fact remains that the Liberal Government introduced these measures, and I know that the official positions of the Progressive Conservative Party depending on who and when of the New Democratic Party and of other parties that sat in the House in previous Parliaments, were probably basically very similar.

Mr. Speaker, to say that the rights of Canadians were circumscribed during the last 15 years is superficial in the extreme or grossly partisan.

In fact, I strontly suspect, Mr. Speaker, that this morning, the intentions of the Member for Wellington-Dufferin-Simcoe were partly partisan. If he wants the floor, it is to speak to the rights of Canadians. I have the floor now, but I do not want to take up too much of the time of the House today. I could talk about how the Progressive Conservative Government in New Brunswick shows its concern for the rights of Canadians, the rights of the New Brunswick electorate. I will not do that now, Mr. Speaker, but if Progressive Conservative Members are anxious to talk about patronage, about circumscribing the rights of individuals, I could give a few examples of the concern of a Progressive Conservative Government for the rights of Canadians.

[*English*]

Mr. Mazankowski: Mr. Speaker, I always enjoy listening to the Hon. Member for Gloucester (Mr. Breau) and I appreciate the enthusiasm with which he engages in debate. He has implored all Hon. Members to exercise tolerance and understanding in the admission of mistakes. I would point out to him that, in the spirit of the environment within which the Hon. Member has made his pitch, perhaps he might want to consider the fact that the National Energy Program has been condemned by the industry. It has been condemned by Hon. Members in this House. It has been condemned by the workers who have lost their jobs. Just recently, it has been condemned by the C.D. Howe Institute, which very categorically stated that the costs clearly outweigh the benefits of the National Energy Program and that there are less costly and disruptive means which could be expected to achieve the same or even superior benefits to the economy. What is really being said, Mr. Speaker, is that the goals and objectives of the National Energy Program, the three basic goals of fairness, equitable distribution and pricing, and self-sufficiency, have not been achieved.

Would the Hon. Member not consider now, even at this late date, to urge his Cabinet colleagues to take a second look and reassess the situation before the industry is destroyed completely? *The Financial Post* today headlines, "Oil rigs and services are barely hanging in". I am not sure whether the Hon. Member understands this, but most of our young western Canadians, or many of them, work in that kind of service and supply industry. They are now either out of a job or working south of the border. It is very serious.

Mr. Breau: Mr. Speaker, the Hon. Member raises a very important question, and it is one which concerns me. I realize that the National Energy Program, being a fundamental change in the way policy was being designed in the energy area, is very controversial. I realize that. When you do something which is controversial, you are going to provoke a lot of reaction and a lot of opposition. It is true that a lot of people in the industry have criticized it. A lot of spokesmen from western Canada who are related to the energy interests have opposed it. But the Hon. Member cannot ignore the fact that with or without a National Energy Program, there was not going to be less searching for new oil and gas in Alberta and Saskatchewan in any event. We are at the stage of searching for secondary and tertiary recovery, as it is called in the industry. Whatever happened, there was to be shift away from the traditional search, which has gone on since 1945 for oil and gas in Alberta, to the so-called Canada lands. Therefore, the Hon. Member cannot ignore the fact that change was to come in any event. The Hon. Member cannot ignore, either, the fact that prices have gone down. He cannot ignore the fact that drilling has been reduced in the United States. It has been reduced all over the world. Therefore, to suggest that all of that is because of the National Energy Program is not to be totally fair.

• (1650)

I would ask the Hon. Member also to recognize once in a while that when the federal Government does something to help, as it did, for example, the gas industry in Alberta which has so many oil wells which are capped, and he knows why they are capped—they are capped because there are fewer markets—takes quite a risk. It took a risk when it approved the southern portion of the Alaska pipeline. He does not recognize the fact. He does not say that that was a risk we took

in terms of the interest of the country as those other than themselves perceive it, as well as in Alberta's interest. He does not say that in the latest change brought about by the Minister of Energy, Mines and Resources (Mr. Chrétien) to permit the export of gas, in any event, to the United States, we have permitted the price to be reduced. Therefore, I wish the Hon. Member would balance his claims a bit with some recognition for the things the Government has done in the energy sector.

Mr. Mazankowski: I have just one comment. I only want to point out that the shift of exploration activity from conventional areas to the offshore and frontier areas was not taken by the industry on its own. It was merely a shift as a result of a deliberate Government policy. For the information of the Hon. Member, the fact of the matter is that there are still ample conventional supplies which can be sought out. However, the fact concerning oil and gas is that the shift and emphasis has been placed on offshore, on the frontier areas, the result of which has been to see our conventional reserves depleting at the rate of 4 per cent per year.

Mr. Breau: Mr. Speaker, I do not totally disagree with the Hon. Member that the National Energy Program has had an effect on that. What I am saying to him is that there was a shift, in any event, as a result of economic forces, to the offshore and so-called Canada lands. However, he cannot ignore the fact that the Province of Nova Scotia and the Province of Newfoundland, for example, used all the political muscle they had. It is not a question of its being in the interest of the provincial Government only. They would want to persuade the federal Government to implement a policy regime as we did for the West in the late forties and fifties to permit the exploration of oil and gas of the shores of Nova Scotia and Newfoundland. Therefore, this shift came naturally, not only because of economic forces, which is part of the trend, and not only because of the actions of the federal Government, but also as a result of the natural expression of the political wish of Nova Scotia and Newfoundland that some of their money be invested off the shores of eastern Canada. The Hon. Member must admit that the shift of investment there is not totally owing to the National Energy Program or the federal Government.

Mr. Thacker: Mr. Speaker, the other point that my friend, the Hon. Member for Gloucester, does not realize is that during the 1920s, when the level of technology swept across the western plains, only very shallow gas and oil deposits could be found, where it was obvious, because there were no machines to dig it up. Then, during the forties there was another wave, and during the seventies there was still another wave. Therefore, each time more advanced technology is utilized in the western plains enormous quantities of oil and gas are found.

The Pembina oil field, which is a tight field, was found because of that technology. The Hon. Member is indicating that perhaps he does not appreciate that fact. There is much oil and gas there. Only as a comment I would like to say that it surely was not necessary, in order for the federal Government to become involved in the Canada lands and offshore, to bring in the National Energy Program which was so highly damaging to the West. It has virtually destroyed it. Why could the Government not have come up with a policy to develop these other areas without killing the conventional plains?

Mr. Breau: Mr. Speaker, I wish I had more time to answer these questions because, again, the Hon. Member forgets some facts, particularly while it is true that there is still some gas which could be found. The geological data is that there is much gas under the shales of Alberta, which has already been found and capped, and there is probably some more. However, the policy instruments which the Parliament of Canada implemented in the late forties, the fifties and the sixties, partly by the Diefenbaker Government and partly by the Liberal Governments, have provided the West with a policy and the taxation instruments which have permitted exploration there. How can he deny that other regions of the country which also have a potential for development of oil and gas should not be provided with policy instruments, too?

Mr. Mazankowski: He didn't say that at all.

Mr. Breau: This is what the National Energy Program is doing. He should not ignore, either, the fact that in the national energy policy, maybe not in the National Energy Program when announced on a certain date, provision was made for the extension of the natural gas pipeline to eastern Canada, which is an important policy instrument in the West and which permits the surplus of gas which is there in Alberta to be sold to eastern Canada. That is something that many people in my area do not like. It is competition to the advantage of the West. In this case I also think that in the national interest we should have an infrastructure to transmit the gas which is surplus in the West to eastern Canada, to divert away from the nuclear, divert away from oil generation and to try to obtain access to this very efficient, cost-wise, gas resource which comes from Alberta.

Therefore, the Hon. Member should not ignore that there are aspects of the NEP which are not negative. Concerning the Alberta interest, there are provisions in the energy policy of the Government in the area of energy which are also of great advantage to the West now and for the future. I name the southern portion of the Alaska pipeline as another one.

I would just urge these Hon. Members, at some time, to temper their partisanship and to recognize when these things are done, because some of their constituents believe that everything the Government does in the energy area is negative to the West. For the future of the country, I am just urging them to please recognize the advantages and benefits of the policies when they are beneficial to the West.

Supply

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Corbin): Order. Before proceeding with debate, it is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Kindersley-Lloydminster (Mr. McKnight)—House of Commons—Canadian Bill of Rights—Absence from display within Parliament Buildings. (b) Request that Bill of Rights be displayed; the Hon. Member for Humboldt-Lake Centre (Mr. Althouse)—Railways—Crowsnest pass rate—Railway upgrading—Prime Minister's position; the Hon. Member for Comox-Powell River (Mr. Skelly)—National Defence—Request that CF-104 aircraft be banned from aerobatic demonstrations. (b) Request for documentation on accidents.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—GOVERNMENT POLICIES

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

That this House rejects the centralizing and interventionist policies of the Government as an ideologoical thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, I hope the Hon. Member for Gloucester (Mr. Breau) does not leave the House too soon because I find it most startling to see how that interventionist stance and that type of thinking is so insensitive to the havoc being wreaked in this country to the point at which the Hon. Member, presumably in a very partisan, supportive way of his Government, stands up here in the House and says that he is proud of the Government. I can understand, for reasons of loyalty or Party discipline, that the Hon. Member maybe feels he cannot speak too openly in criticism of his Government, but it really startles me to hear the Hon. Member say that he is proud of the Government's record.

Let me state for the record the record to which he is referring. For example, in 1968, we had a period of rising inflation to the point at which it rose to 4 per cent. That was the inflation level the year the emperor first took power in this country and introduced his interventionist, socialistic policies about which I want to speak. Thanks to the direction and support of the socialists to my left calling themselves the New Democratic Party, we know that that level of inflation rose to the height of 12.5 per cent in 1981 and was 10.8 per cent last year. Is that the record that the Member for Gloucester says he is proud of, to take inflation from 4 per cent to 10.8 per cent?

• (1700)

With respect to real growth, when the emperor took power in 1968 it was 5.8 per cent. Last year it was negative 4.8 per cent. Is that the record that he is proud of? According to the OECD, that 4.8 per cent put this nation twenty-fourth out of 24 among the major industrialized nations on which the OECD reports. We were behind Iceland in terms of our real growth last year. For example, Turkey's real growth was 5 per cent, which is roughly what we had before the emperor took power in Canada. Turkey had that growth last year, but thanks to the Government whose record this Member is so proud of, we had a negative 4.8 per cent.

Let us look at unemployment. The unemployment rate was 4.5 per cent before the emperor seized power in Canada through misrepresentation. We now find that the unemployment rate last year was 11 per cent. There were a million and a half Canadians not given an opportunity to work in this country, especially the youth of this nation, thanks to the socialistically inspired Trudeau type of policies that have so throttled the inherent ingenuity that could be called upon to create true wealth in this country had it not been frustrated by the interventionist, socialistic tactics of the Government.

I have spoken in general terms of unemployment. Let us look at more meaningful factors. How many Canadians has the Government inflicted unemployment upon? I have mentioned the number of 1.5 million. Before the emperor took power, there were 358,000 unemployed in this country. We thought that was too high at that time. When the Hon. Member says he is proud of his Government's record, can he honestly stand up and say that his Government had no hand in it and this was a matter just like Canadair that was running out of control? Is he saying that somehow the Government should not be called to task or held responsible for that record? Will he seriously suggest that his Government's spending, which amounted to approximately $12 billion at the federal level in 1968 and is now over $80 billion, had nothing to do with those figures? A deficit that was non-existent when his Government took power is now $25 billion, which is actually over $2 billion a month of deficit financing. Would he suggest that that had nothing to do with those sad figures which I have just put on the record concerning our economic morass at the present time?

Mr. Breau: More simple messages.

Mr. Stevens: The Hon. Member says more simple messages. That is what I find so fraudulent about the socialistic approach to governing. They create the problems and the complications and then say, lo and behold, that they are now lost in the forest. They want to know how to find a way out to some kind of better prosperity, and there are no simple answers.

The truth is that I would like to suggest that there is a way to a new prosperity in Canada. It is a prosperity that will

ensure that our productivity can once again be increased. It would ensure that the private sector would be more inclined to spend money on research and development perhaps to reach the point where we would spend 2 per cent of our Gross National Product on research and development. Before the private sector can get moving, we must once again inspire in it the confidence that the Government of the day will not through interventionist tactics and high taxation that basically frustrate the very thing we want to accomplish for all Canadians, that is, higher prosperity, greater real wealth and, in truth, what freedom is all about, a freedom for them to carry on their business and lives with a minimum of Government intervention.

If the Hon. Member dares, perhaps he will get up and try to rebut what I am saying. He likes to use the emperor's classic excuse for the problems with which he now finds himself confronted.

Mr. Breau: Mr. Speaker, I rise on a point of order. I regret to interrupt the Hon. Member. I believe that the rules are very clear that when any Member of the House is referred to we must refer either to his title, such as if he is a Minister, or to his constituency. The Member has been repeatedly referring to a term, obviously referring to the Prime Minister (Mr. Trudeau), which I believe is against the rules.

The Acting Speaker (Mr. Corbin): In the opinion of the Chair, the rules are very clear that one should not refer to another Hon. Member by his given or family name. One must refer to a Member by the name of his portfolio, office or constituency. As far as any other name which an Hon. Member wishes to call another Hon. Member, in the Chair's opinion it is parliamentary as long as it is not included in the list of unparliamentary language.

Mr. Stevens: Thank you, Mr. Speaker. I am sure that you and all Members of the House noted how quickly the Hon. Member associated his Prime Minister with the word "emperor". That clearly meant something to him. He almost automatically assumed that if I was referring to an emperor it was, in truth, the Prime Minister of Canada.

I am very anxious to put on the record what I feel would be some concrete policy moves on the part of the Government of the day that would lead us back to a more free and more private enterprise oriented system. In turn, it would be a system that would produce the jobs and prosperity that this Government is obviously incapable of engendering in Canada at the present time.

I say this because I noticed that, in a classic socialist debating stance, the Hon. Member for Comox-Power River (Mr. Skelly) stood up and spoke in that righteous tone that they like to take to talk about how they have listened to our criticism of the Government but were somehow unable to discern what policy moves we in the Official Opposition would make if we had an opportunity to govern this country. Every socialist has made that kind of argument to some extent. I have noticed that when the Members of the NDP feel that their ally, the present Liberal Party in power, is under attack, they are the first to rise to their defence. They try to convey the message that the issue we are talking about is a little more complicated than it is in reality.

In short, let me suggest to that Hon. Member that he might, for example, if he is looking for policy moves, consider a move in which the investment tax credit up to perhaps 10 per cent could be allowed on all investments by the private sector with respect to new investment in manufacturing and non-manufacturing activities. I would suggest that the Member might consider a 5 per cent reduction in the federal corporate income tax rate in order to give industry a somewhat better after tax profit, which is really capital to invest and begin developing our country.

• (1730)

I would like to suggest to the Hon. Member that he take a look at the November, 1981 budget to which presumably they had little objection. That budget changed the capital consumption on manufactured investment, which I think should have been restored to what it was. In other words, if you make an investment prior to the year's end, you could write that investment off 100 per cent. You are allowed only a 50 per cent write-off at the present time.

I would like that Hon. Member to consider that there be various research and development incentives designed to encourage the private sector to increase R and D expenditures combined with any university R and D expenditures and related expenditures in order to reach a target of 2 per cent of the nation's Gross National Product by 1990. That would be in sharp contrast to the 1.1 per cent share we are now putting into research and development in Canada, which is one of the lowest ratios of any industrialized country in the world. Over the next six years that would involve a $20.5 billion incremental. I want to emphasize that extra investment in research and development in Canada.

I would suggest the Hon. Member might take a look, speaking about energy, at a $20 billion energy investment plan to ensure that a marketable surplus exists in oil and gas by 1990. These investments would include additional exploration and development expenditures, several small scale oil sands projects that would produce heavy oil and asphalt type of tar for export markets and, finally, it would provide for the accelerated development of such fields as Hibernia and the Beaufort Sea projects. That is the type of private initiative where the Government essentially sets, if you like, the atmosphere and gives the incentives that we need in Canada in order to get us moving again. What is so encouraging, Mr. Speaker, is that if we started to take those kinds of thrusts we would be able, in the export field alone, if we simply regained the fair share of the world trade market that we used to have prior to the emperor's taking power, to increase our agricultural exports to the rest of the world by $11 billion by 1990. Once again, percentage wise, we would be exporting what we used to export to the rest of the world prior to the emperor's taking over. I would suggest that the type of energy thrusts to which I

referred would enable further exports of oil and gas to the extent of, say, one hundred million barrels of oil and a comparable amount of gas which, in turn, would strengthen our dollar, lower inflation as a result of that, and which, in turn, would lower the interest rate structure to which we have become accustomed. In short, the creation of jobs would begin.

Let me be more specific. I think the next question which the Hon. Member for Comox-Powell River might ask is, what would be the effect if we did those things we are talking about? Perhaps even the Member for Gloucester would like to know what his Finance Department could tell him if he asked, "Assume we did some of the things to which the Hon. Member for York-Peel (Mr. Sinclair) is referring, what would it do for Canada and the economy between now and 1990?" I think the Hon. Member would find out that it would reduce our inflation level to 4.2 per cent, and it would create 520,000 extra jobs between now and 1990. In short, the trend line on which the last budget of this Government put us was for the creation of 1.4 million jobs in Canada. As we know, that is barely enough to keep unemployment at its present level.

The program I am outlining, according to the respected Data Resources of Canada group, would create 520,000 extra jobs or would create, in contrast to the Government program of 1.4 million jobs, 1.9 million jobs and bring unemployment in this country down to 5.7 per cent by 1990.

I refer to these things only to whet the appetite of Members of this House as to the tremendous potential we have in Canada if we would clear our minds of that socialist cobweb type of thinking which has become parasitical and has basically distracted us from the creation of wealth simply through the building of more and more bureaucracy and more and more Government involvement in all of our lives.

Let me tell you about other things. What I have described would trigger a balanced budget, certainly on a current expenditure basis by 1987. It would basically take us out of any deficit by 1990 and, most important, it would mean, in sharp contrast to the about $20 million of added net debt which the Government plans between now and 1990, that we would be able to reduce that net debt by $44 billion between now and 1990.

The program to which I am referring is a program of only one that could be offered, based on private sector involvement, to give us back some prosperity, some job-creation with less inflation and more real growth. As far as I am concerned, and I would suggest that most Members in my caucus believe Canada deserves better government than it has been getting with the interventionist socialistic alliance that has ruled this country almost without interruption since 1968. It is time we discarded the worn out thinking of these Karl Marx type of people, put back into place what had built the country initially and gave us a hard rock prosperity, namely the private enterprise system built on freedom for all Canadians.

Mr. Breau: Mr. Speaker, the Hon. Member picked up on my words about the expression of my pride. He related that to things other than what I said. Just in case the interpretation did not come to him clearly, I was talking about the unprecedented evolution in the last 15 years with regard to the introduction of legislation and the enshrinement in the Constitution of language rights, fundamental rights and basic rights. This is what I was talking about. I would think that even the Hon. Member, sometimes as partisan as he is, would recognize that.

When the Hon. Member refers to this Government as being socialistic, interventionist and against business, I ask, how can he really say that honestly when in the last budget five changes were brought to the investment tax credit to lengthen the period in which industries could claim it from five years to 11 years in some cases? We have introduced, for example, the concept of the equity holder being able, in some circumstances, to claim the tax credit if the investor or the company cannot claim it. He knows the investment tax credit was proposed by a Liberal Government, not a Conservative Government. How can he say that this Government does not look to encourage business where it can when we brought in these five changes in the last budget to the investment tax credit? For example, this may permit Noranda Mines to obtain the equity it needs when the market improves to build a zinc reduction plant in New Brunswick. Instead of the provincial or Federal Government's doing it, we are providing a tax regime in which equity holders and the company will be able to do it. How can the Hon. Member say such things when such beneficial changes were made to the investment tax credit in the last budget?

• (1720)

Mr. Stevens: Mr. Speaker, I would like to respond to the two comments of the Hon. Member for Gloucester. First he indicated that somehow I had taken out of context his reference to being proud of the Government's record, and also he referred to such things as enshrinement of various rights. Here again I think it shows how the Hon. Member is totally insensitive to what the Government has done to the average Canadian. The average Canadian cannot eat the enshrinement of some type of paper reference in a document such as the one to which the Hon. Member referred. The average Canadian wants work. The average Canadian is denied jobs, jobs, jobs. I suggest that it is the Government's fundamental obligation to meet the right of every Canadian to a meaningful job. That is the right which the Government has taken away with its interventionist, socialistic approaches.

Then, in typical Liberal fashion, chameleonlike, he turned around and said, "How can you say that we are unfriendly with business?" It has absolutely beaten business into the ground, particularly the oil and gas industry. Then Government Members turn around and say, "Instead of hitting you 100 times, we will hit you 95 times next year. Are you not pleased that we have laid back on five?"

In short, the Government must be looked at in light of the over-all thrust of what it has done since 1968. John Turner and the present Prime Minister (Mr. Trudeau) cannot deny the record. That is their legacy to Canada. The Government of Canada has taken an interventionist, socialistic approach

which has been demonstrated not to work by the fact that we are now ranked twenty-fourth out of 24 OECD nations. That is what I am speaking to.

Mr. Skelly: Mr. Speaker, I wish to correct and comment on some of the things the Hon. Member for York-Peel (Mr. Stevens) said. First, I said that the Conservative Party refused to put on record its policies and procedures. I note for the record that the Hon. Member for York-Peel has never been too abashed to do that. We have noted his approach to the problems in El Salvador and Central America, which I would say was in support of the governments in power there and the very nefarious activities going on.

We know that the Hon. Member for York-Peel is on the far right of the Conservative Party. He mentioned three points in terms of expanding the oil industry, but the additional expenditures would be simply the trickle down effect where we pay the companies and the wealthy and hope that it trickles through. He suspects that the freeing up of $20 billion will get things rolling, but it will simply serve to engorge multinational oil companies in Canada. Speeding up Hibernia and Beaufort Sea explorations cannot be done in the face of declining world oil prices. His proposal to export 100 million barrels of oil will simply deprive Canadians now and in the future of an opportunity of access to light crude. Basically it is an absolutely ridiculous approach to the solution of problems in Canada.

I want to admit that I was mistaken on one matter. The Hon. Member for York-Peel, in a different way than most other Members of the Conservative Party, put on the record proposals which I think would be very seriously looked at in terms of an election.

Mr. Stevens: Mr. Speaker, I would like to respond to the comments of the Hon. Member for Comox-Powell River which reflect how out of touch he and the New Democratic Party are. The British have spoken today. They have given a massive vote of support for Margaret Thatcher and her Conservative policies in the United Kingdom. There is a wave in the world today in favour of conservatism and diametrically opposed to the socialistic, dogmatic type of approach which perhaps was in vogue in the 1960s. The socialistic approach is out of favour. This is reflected also by the results of today's Gallup poll that showed our friends to my left have now fallen back to a mere 16 per cent of popular support.

I understand how Members of the New Democratic Party feel. They are a little fluttery at the present time as they sense how the world is passing them by. If the Hon. Member wants to see some action in the House, if he wants to see jobs for Canadians, and if he wants to see less inflation and lower interest rates, he will hae an opportunity very shortly to allow us to form the new Government after the next election. We will put some truly free enterprise oriented policies back into vogue and allow Canadians to create some prosperity once again without a leechlike Public Service oriented Government living off their backs.

Mr. Orlikow: Mr. Speaker, as I listened to the Hon. Member for York-Peel (Mr. Stevens), it sounded very familiar. It sounded like the program which the presidential candidate of the Republican Party, Mr. Reagan, proposed three years ago. The Americans, as they had the right under democracy, accepted his argument. Three years down the road and after the United States Government did the kinds of things the Hon. Member for York-Peel has been advocating, such as cutting taxes to the business community, giving greater incentives and the rest of it, Americans are still faced with over 10 per cent unemployment.

I would like to ask him a specific question. He talked about the deficit. Of course we have a large deficit. A substantial part of it was brought about by the very large increase in transfer payments which the federal Government pays to the Provinces for post-secondary education, hospital insurance and medical insurance. If there is a Conservative Government in the future of which he is a Minister—and that is a very unlikely possibility—and if it is faced with a large deficit, would it cut back on transfer payments, particularly for programs such as hospital insurance, medical insurance, old age pensions and family allowances?

Mr. Stevens: Aren't they beautiful, Mr. Speaker? They always come up with that old bogey that the only way we can get back to prosperity and reduce the deficit in the country is by cutting back their precious spending programs. The fact is that with what I outlined we would not have to cut from the real growth in federal Government expenditures one five-cent piece. All we would do is to put some faith back into the private sector and let it do the job of creating the wealth, which in turn will create the tax revenue we need to start balancing the budget.

If I could comment on one other matter, the Hon. Member referred to the program in the United States. He might be interested in a contrast between what has happened in Canada and what has happened in the United States in the last five years. The real Gross National Product in Canada went up 13 per cent, whereas in the United States it went up 19 per cent, and in every other economic aspect we did worse.

The Acting Speaker (Mr. Corbin): I regret to interrupt the Hon. Member but he can only continue with unanimous consent because his time has expired. Is there unanimous consent?

Some Hon. Members: Agreed.

An Hon. Member: No.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Corbin): Order, please. I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has

passed Bill S-32, an Act to amend the Penitentiary Act and the Parole Act, to which the concurrence of this House is desired.

* * *

• (1730)

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—GOVERNMENT POLICIES

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

That this House rejects the centralizing and interventionist policies of the Government as an ideological thrust aimed at introducing socialization of the Canadian economy by the back door and without the authorization of Parliament, and a definite and present threat to the freedom of Canadians.

Hon. Jim Fleming (Minister of State (Multiculturalism)): Mr. Speaker, if I can say at the outset and if you can believe it, having listened to the Hon. Member for York-Peel (Mr. Stevens), I still get some pleasure from listening to the Hon. Member. It is one of the few consistent things in this ever-revolving world. He has not changed since he crawled on a kiddy-car some decades ago. He is still riding on the far right-wing of the highway. He has been on the gravel he first walked and talked.

It must be a nostalgic moment for the Hon. Member because tomorrow night a number of his colleagues will be facing off in the political forum of their Party for the leadership, and this time around he is not there. A Member from the NDP said a moment ago that the Hon. Member for York-Peel was on the right wing of the Party. That may be how it was seven years ago in the leadership campaign, but now he is right in the centre of the Conservative Party, far over on the right wing of the highway, about to fall off in the abyss. The Canadian people certainly will not buy that kind of right-wing extremism. Still it is great to see the Hon. Member steady on course and basically out of tune with the mainstream of the Canadian public.

Mr. Stevens: Let's try an election.

Mr. Fleming: His voice is strong, as his determination is strong. Might I also add that he made mention a moment ago of the elections in Great Britain. Remember, something has changed in Great Britain. The fact is that there are two major Opposition Parties. There are far more people opposed to the Government of Great Britain in Great Britain today than there are supporting that Government, thank goodness.

The reason why I wish to speak this afternoon is simply that I want to respond to comments made this morning by the Hon. Member for Wellington Dufferin-Simcoe (Mr. Beatty). It has been quite a while since I have had a chance to rise in this House and speak in debate because I have had few, if any opportunities to address myself to my portfolio. That may mean that I am doing everything right, and Members of the Opposition, particularly the Official Opposition, see that there is nothing to criticize. I would be delighted if that were the case. At any rate, I am glad to have a chance this afternoon to respond what I find to be absolutely incredible rhetoric put forward by the Hon. Member for Wellington-Dufferin-Simcoe this morning.

Politics is a natural adversarial system. We stand up and each of us, depending on what Party we are in, do our very best to present in the best possible light our point of view. I must say that the Hon. Member for Wellington-Dufferin-Simcoe did not do justice to himself, his Party, his credibility or his Party's credibility by taking the track he followed this morning. The Canadian public is fed up with hyperbole, and it was nothing but hyperbole today, a clear distortion of any of the facts involved in the Government's proposal on how to deal with concentration of ownership in the Canadian newspaper industry.

The speech this morning was a classic example of the Official Opposition throughout this Parliament: bereft of any policy of its own, full of nothing but negativisms about anybody else's suggestions. That is not very healthy for any democracy. It is an exchange of ideas so that the public can determine largely what it would best accept.

The Hon. Member for Wellington-Dufferin-Simcoe began this morning by saying that with these proposals concerning the daily newspaper industry in Canada we were threatening even the Charter of Rights and Freedoms, that our proposals were an attack on the basic freedoms of Canadians and that today there is less freedom in Canada than there was in 1968. Other Members before me outlined how ridiculous that charge is. I want to respond specifically to a couple of points, distortions or whatever that Member made this morning.

The Hon. Member said that the Government had raided a newspaper, that no other Government in history had done that. It is not a very palatable thing to have any newspaper raided. I am a former journalist. I wish to give a small reminder of the facts rather than the distortions. The Royal Canadian Mounted Police raided a newspaper. It did so because it thought there was secret information that might jeopardize the well-being of Canada. They may have been wrong, they may have been right, but it was the Royal Canadian Mounted Police which recommended and then acted on that. It is a very serious thing ever to intrude upon freedom of the press by any authority of Government, but clearly the security of the state is worth considering, rather than the kind of rhetoric of the Hon. Member, which seemed to suggest that no matter what a newspaper might do at any time to deal with that. You must have a right to deal with that and the Canadian public will judge whether you dealt with it appropriately.

The Hon. Member said that this Government had developed a propaganda war chest to serve its own purposes and to give misinformation to the public. That is ironic. That comes from a Member who was a Minister in the Clark Government, who set up a system under which, in order to decide what advertising firm would work for the Government and where the Government's advertisements would be placed, it would hire a small group of its friends and do it away from Government,

away from the scrutiny of Parliament. They would decide who the advertisers would be and who in turn would get the advertisements. Therefore, that was a pretty hollow attack.

Let me get to the basic nonsense we heard about the Government's proposals on the daily newspapers in Canada and increasing concentration of ownership. The Hon. Member said it was a new assault on freedom of the press in Canada, it was legislation to regulate ownership, it would affect the ability of the press to do its job. He said that anything Government does is calculated for self-interest. He said Government will control the ability of organizations to run their newspapers.

What are we proposing? We are simply saying that at the current time in Canada in English language daily newspapers there are two very large newspaper chains that control approximately 60 per cent of all of the daily newspapers' circulation. What is freedom of the press if not our proposals to limit concentration from going any further? Surely freedom of the press is as much freedom from Government intrusion in the newsroom as freedom from monetary power, allowing people to have access to a diversity of views.

Surely competition is essential to a free press. If increasingly there are fewer and fewer owning more and more of our daily press, there is less of a challenge of accuracy in direct competition. There is less ability for senior journalists to move about in the job if what they want to tell or say is suppressed by management. There is less ability for Canadians to be sure that they are getting a diversity of view rather than a diversity of one or two publishers or owners who control most of the newspapers in the country.

What is the real threat? The real threat to freedom of the press in Canada is that money power will allow for a lack of any law and too much in the hands of too few. Were a Government not to act, that would be irresponsible. Let me add something else that I think is irresponsible.

In all the questions during Question Period and all the charges about the Government attacking the freedom of the press in Canada, never once—and this will surprise no one—did the Hon. Member from the Official Opposition suggest what he would do. Is he simply here as the "houseboy" of the publishers, or does he have a view? Does he think there should be more concentration? Do we have a free press if two companies own all the English language daily newspapers in the country? Is that what he would like? Is concentration of ownership not a problem?

It amuses me because it shows how far to the right they have gone. When every publisher or representative of the owners of daily newspapers in this country has told me over two years of consultation that concentration of ownership can be a problem—they will not say at what level but they admit it is a problem—the Official Opposition still will not admit it can be a problem or admit what is their position. Would it be a free press if they did nothing and more and more fell into the hands of fewer and fewer and there was no diversity and no competition? That is hardly responsible policy.

The next charge was that we were going to set up a press council and that it would have its first chairman and vice-chairman appointed by the Government, that it would be a convenient vehicle for Government to interfere any time it chooses, that the single greatest threat to a free press is a Government sitting in judgment of the free press, and that is what we see today with this proposal for a press council.

Let me tell you about the press council. That is all untrue. Either the Hon. Member cannot read or he has no willingness to talk about the facts. The fact is the membership of the press council, as set down in the proposed law, would have publishers' representatives and journalists' representatives in balanced numbers, in fair numbers from all of the five regions. They together would choose representatives from the general public with no conflict within the newspaper industry. None of them would be appointed. They would make the decisions and the balance of voting power would be with the public's representatives when hearing complaints. How is that Government interference in the press? It is not. To be sure, Government will not interfere but, to be sure, people have the right to vent their concerns, especially since almost all major cities in Canada, with the exception of three or four, have only one major newspaper. Those daily newspapers have a monopoly. The written word has a certain power, and I and many other Canadians and the Government think that individual Canadians and groups of Canadians deserve the right to have the ability to complain if they feel they are not being treated properly by a monopoly daily newspaper with all its power of print.

• (1740)

We are saying to the press that if they do not get credible press councils going, the Government will set up the framework of a council. The members of the press will determine their own workload, they will decide who the representatives will be from publishers and journalists, who are not always friendly with one another, and, as I said earlier, there will be the public's representatives holding the balance of power.

Now, Mr. Speaker, how does that illustrate the phrase, "the single greatest threat to a free press is a Government sitting in judgment of a free press"? How does that illustrate the phrase, "a convenient vehicle for Government to interfere any time it chooses"? That kind of rhetoric totally distorts the reality of the proposal and does not lead to productive debate on this focal point of Canadian democracy but makes democracy unproductive. I think that that is very irresponsible.

Once more, where is that Member who is the Party's critic? Where is that Party that, as the Official Opposition, says that it will form the next Government? Members of the Official Opposition can tell us what is wrong. They can distort and twist the facts of the matter, but they cannot tell us what their own position is.

The next charge laid by the Hon. Member was a document that indicated that advisers on the Government side said that what we want to do would be illegal, especially with reference to the Restrictive Trade Practices Commission reviewing

possible newspaper purchases and start-ups by companies that are largely engaged in other businesses. We do not need a lawyer to tell us that the federal Government has the right to review anything. There may well be a question as to whether the Government has the right to impose penalties or laws because there are split jurisdictions, but the Government does have the right to review anything, and that is all that is proposed.

The Government proposes to make the point with the public that a company which is engaged largely in other areas should not reach into the newsroom so that the newsroom loses its independence by being fearful of criticizing the other areas that the parent company is involved in. Once more, that was a major concern of the Kent Commission, and I think that it is something that a lot of Canadians are worried about as well, especially when so much of the daily newspaper circulation is in the hands of so few.

The Hon. Member then went on to say that he had requested the Library of Parliament to prepare a research paper that said that there are serious doubts about the federal Government's jurisdiction. He then went to quote what those doubts were, but they all related to the Kent Commission. Indeed, that is exactly what I said when I announced the Government's proposals. With every good intention, we found those proposals either too intrusionary, appearing to be too intrusionary, or both, into the newsrooms. Government politicians should not enter the newsrooms. They have no right to be there. That is why our proposals are as limited as they are and as passive as they are. They set parameters for review or turn over to others the responsability of review with no input from us.

But we cannot have it both ways. We rejected the Kent proposals in part because of jurisdictional problems as well as the others I have just mentioned. If the Hon. Member's document says that, then he simply agrees with us. What we propose and what we will soon have in draft form is an Act that is legal as far as our lawyers are concerned and is very important to a free press in Canada.

As he wound up, the Hon. Member said that we were going to ram this through the House. The rhetoric really does get tiresome. We are going to ram it through the House? The Royal Commission met for a year and then brought forward its findings. I consulted with everybody I possibly could consult with for eight or nine months. Then we made our proposals and I have consulted on them for one year. When the proposals come to Parliament, I have indicated that I want them to be in Parliament and I want any proposals in the form of an Act. I do not want anything to be done by regulation or Order in Council because it is a sensitive area, and I want it fully vented and discussed in committee. Although I have said that publicly, the Hon. Member says that that is ramming it through the House.

Do you know what will probably happen when we have that legislation, Mr. Speaker? The Hon. Member and a handful of his friends will hold it up and hold it up on second reading and say that we are ramming it through the House, when all we are trying to do is to get it to committee so that other Canadians can discuss it. Mark my words. See if that is not what happens. Mr. Speaker, I will bet that he still does not have a policy at that time that will deal with what can be done to protect the free press from the danger that is created when too much is in the hands of too few.

Finally, the Hon. Member said that these proposals contained shades of Orwell's "1984" and were only measures to make the press beholden to Government. He said that owners of Newspapers will have to win the favour of Government. He did not tell us how that would be done, because there is no way that we suggest that that would have to be the case. We have set parameters and there is no retroactivity for those who are already beyond the 20 per cent threshold in concentration of ownership. It is the meekest, mildest, most limited package that can be imagined simply because, as a former journalist myself, I do not believe we can do anything that would appear to be intrusionary. At worst, we offer grants for better inter-regional coverage and better coverage from abroad by people knowledgeable about Canada. That is a passive intrusion, one with no judgments, one that is on a first come, first served basis if there is no bureau in place already. Nobody is obligated to take the money if he does not want to take the money.

The Hon. Member concluded that the whole nefarious proposal was an attempt by the Government to shackle the free press which he said is so important to a democracy. Well, let me say that if Members of his Party were in charge, their inaction would shackle the democracy in an area vital to a competitive free press. Their inaction would allow conglomerates perhaps to use their influence to have the press make sure only their story got out. I would like to believe that conglomerate ownerships and large companies operate largely with goodwill within Canada, but they operate for their own interest and for their own profit line.

Surely Parliament must set limits at times that will protect a democracy and allow for diversity. We have proposed a law that will allow for that diversity and that will limit competition. We have proposed a review that will encourage editorial independence. We have proposed that in any individual marketplace, there should be no cross media ownership because there must be competition if there are to be facts and accuracy and diversity. We have proposed that there should be better inter-regional coverage in Canada and better coverage of Canadian interests abroad. When so many major cities only have one daily newspaper, we have proposed that individual Canadians should have a way to grieve if they feel that that powerful instrument has not been fair to them. I do not know how anybody can argue that any of that does anything but protect a free press, and a free press really means the rights of individuals to a diversity of sources of information.

Where are Members of the Official Opposition on this policy? They are nowhere. Who are they? They are friends of big business and, apparently, the newspaper conglomerates. What are they? Apparently they are destroyers of legitimate and rational debate and policy production.

The Acting Speaker (Mr. Corbin): Comments, questions? Are there any question or comments? Debate.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, the resolution before us today is an incredible piece of chicanery. Unfortunately, the only reason it tends to stick is that there is some shred of truth to it. I would like to use the ten minutes remaining to build on some of the remarks made by the Hon. Member for Gloucester (Mr. Breau) about the performance of the Government that gives a shred of credibility and truth to resolutions such as we see before the House today.

I would like to use as an example a small community in British Columbia that suffers because of the nature of Government intervention and the lack of what I would call the effectiveness of Government. Alert Bay is a small community on an island that sits at the head of Johnstone Strait. It encompasses 2,000 people, approximately 1,000 people who live in a native community and 1,000 people who live in an adjoining community. This community hangs in a life and death balance, Mr. Speaker, and that life and death balance is influenced on almost a daily basis by the Government and how it responds or fails to respond to that community.

When we speak about intervention, we also mean interest and understanding and communication. These things do not exist in Alert Bay. The Government is 3,000 miles away. It has no interest in the community, and consequently the community has no interest in the Government.

The present Government wonders why it has no representation from western Canada. Maybe the explanation that will follow will assist it in developing appropriate intervention which supports the kind of personal and private initiative that we would like to see, the kind of intervention that enhances the independence of the community to make decisions which affect their day to day lives and, in short, gives people independence.

• (1750)

I am sorry that the Minister of Employment and Immigration (Mr. Axworthy) left the Chamber, Mr. Speaker, because his Department has great influence on what happens in that community through unemployment insurance and the employment development process. Alert Bay does get some recognition, but there are tremendous problems with the delivery of unemployment insurance in the community. When you combine that with the inefficiency of the post office, Alert Bay, like many communities in rural and remote Canada, suffers tremendously. People judge that it is suffering at the hands of the Department that comes under the Minister of Employment and Immigration as well as at the hands of the Government. Tremendous difficulties are imposed upon it.

Banking is a federal responsibility and Alert Bay has no bank. It has a small credit union on which the local business community is absolutely dependent. The small businesses that are trying to survive and grow in the community are dependent on a credit union that is hanging in there by a thread. By failing to intervene in some of the problems of the credit union, that sole source of banking in the community, the federal Government puts the small businesses in the community in jeopardy. Debts are incurred in areas of federal responsibility where the credit union could be made more viable and stronger and could serve the needs of the people more effectively. I urge the Minister of State for Finance (Mr. Cosgrove) to look at the problems in the community.

Indian affairs is another area of concern. With approximately 1,000 people in the native community the Nimpkish band is struggling for economic development, for access to the forest industry, for appropriate intervention in the fishing industry, for development of their culture and the education of their children. The Minister of Indian Affairs and Northern Development (Mr. Munro) is a long way from Alert Bay. There are many and serious problems with employment and economic development that affect the day to day life of the native people and the opportunity for them to earn a living in order to support themselves and their children. The Government wonders why the people in that community and in all of western Canada reject that Party as a source of representation in the House.

I am pleased to see that the Minister of Fisheries and Oceans (Mr. De Bané) is in the House. The Johnstone Strait fishery is one of the most complex in western Canada, yet it is the people of Alert Bay and Sointula and the area at the head of Johnstone Strait that depend, absolutely and desperately, on income from the fishing industry. Every fish caught in Johnstone Strait by a fisherman from Alert Bay, from the Nimpkish band, from Port Hardy, from Sointula, is a ten dollar bill in those small communities. Every fish is the lifeblood of those communities. Yet the officials in the field decided to let the fish swim by and be taken elsewhere at a lower value. That put Alert Bay on the slippery skids to oblivion. There is a question of understanding that community and its dependence on that resource. The Government must understand this and extend aid to the community.

On the matter of small craft harbours, I must point out that the Minister of Fisheries and Oceans has had in his possession for seven years a request for harbour development. Alert Bay contains one of the largest fishing harbours in the area. The largest number of fishing boats on the West Coast is in that area. Seven years ago they made a request to build a fishing harbour there, but it has been ignored. As a matter of fact, harbour developments have been placed in communities that have no fishing harbour. Some of the communities that have received benefits do not even have major vessels harboured there. I suggest that this is so critical that if the fishing vessels are drained away from Alert Bay, it will kill the community. It is vitally important that the Government understand this. If that should happen, at least the people of Alert Bay should be informed. I hope the Minister of Fisheries and Oceans will take note of this and respond to it.

Another problem is transportation. There is a Coast Guard communications system which involves five or six people at a Coast Guard radio station. The Minister proposes to remove them from that community and put in a remote station which will remote to Vancouver. This is a compromise with safety. Those radio operators know the area like the back of their hand and when there is an emergency, they know who is closest and able to respond and exactly where that person is.

When this is remoted to Vancouver, the local operator there has no more detailed knowledge of the area than he has of Timbuktu. The proposal to remote that Coast Guard radio station is dangerous and it will erode the economic viability of the community. It is imperative that the Minister of Communications (Mr. Fox) have his officials talk to the people of the community about this. They should also talk to the other Government Departments involved so that there is a complete understanding not only of what is happening in the community but of how each Department affects the life, growth, hope and expectations of the people.

Also, the Department of the Solicitor General intervenes in the community without understanding it. An RCMP boat is involved in law enforcement and search and rescue. It is greatly respected in the community. It is often quite dangerous on the water with the tremendous traffic involved in the fishing industry, the ferries intersecting, the major marine routes for ocean going freighters, and the RCMP play an effective role there. In the past, the Solicitor General's office has proposed that the five officers involved be moved out of the community. That has not happened to date but it would have a bad effect if it did.

In the past, the Department of Fisheries and Oceans has attempted to remove the fisheries office where some of the most difficult fishing management decisions are made. If those officers are removed from Alert Bay, communications will break down and the economy will be eroded.

There is a desperate need for Government Departments that intervene in the community and whose goals and aspirations, we hope, are to allow the community to thrive and continue to grow, to begin to talk to each other about the nature of the community and how they can help. They should then begin to talk to the community about where it wants to go. That is absolutely imperative.

At the present time we have a Senator who roams the coast of British Columbia. Instead of establishing priorities and discussing with the people of the communities how the Government will intervene and become involved in the day to day lives of people in a meaningful way so that they can make decisions themselves to secure their future, he comes out and announces where the small craft harbour will go, by total surprise. He comes out and announces where the salmon enhancement projects will go, by total surprise to the people of the communities.

Through the intervention of Cabinet Ministers an interdepartmental committee must be set up to study the needs of the area, to consult with the people and look at ways in which the Government can work with them to determine how they can be assisted. In some cases the solution might be for the Government to keep its nose out, but in other cases there are many things that the federal Government can do to assist such communities and help the people to preserve their way of life and make it better.

If the Government is interested in developing a good relationship and not exposing itself to the hot air rhetoric of the Conservative motion, I offer them these constructive suggestions and a positive course of action that could be used in communities along the whole coast of British Columbia and in many of the remote communities of Canada.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. The debate being concluded, the proceedings on the motion have expired, pursuant to Standing Order 62(11).

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

HOUSE OF COMMONS—CANADIAN BILL OF RIGHTS—ABSENCE FROM DISPLAY WITHIN PARLIAMENT BUILDINGS. (B) REQUEST THAT BILL OF RIGHTS BE DISPLAYED

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I take part in the Adjournment Debate this evening in an attempt to receive a little more information from the Government on the subject of a question I asked on June 6, 1983, as reported on page 26077 of *Hansard*.

It was brought to my attention by several constituents when I was showing them through their Parliament Buildings, through the buildings which are an honour, a tribute, and the property of all Canadians, that the Diefenbaker Bill of Rights was not displayed. I was showing them our Library, their Library. In the past I have always made a point of pointing out in the display cases on the desk in the Library the Flag Proclamation which gave Canadians their own flag. I have also pointed out the Diefenbaker Bill of Rights and other documents in the form of statutes of historic importance to Canada and to Candians in the development of our country. To my dismay, however, I could not show them the Diefenbaker Bill of Rights which used to be displayed in either language. It was not available. I looked through the documents in the display in the Hall of Honour which has just been opened in the corridor leading to the Library. There were several documents displayed at that time, which supposedly pertained to the constitutional development of our country, the Acts that have brought us to this point in history.

I would like to enumerate some of those Acts which are in the Hall of Honour, Mr. Speaker. There is the edict creating the Sovereign Council of Quebec, 1663, the Royal Proclamation of 1763, the Quebec Act, 1774, the Constitutional Act, 1791, the Union Act, 1840. There is also the Constitution Act of 1867 which in itself is an anomaly because up until recently that Act has always been called the British North America Act. There was the Canada Act of 1982 and the Proclamation of the Constitution Act, 1982.

I asked the Prime Minister (Mr. Trudeau) what had happened to this document, this Statute that when passed by the Parliament of Canada was to be the supreme Statute pertaining to constitutional rights of all Canadians. One of the rights which was in that Constitution Act passed under the Diefenbaker Government, commonly known as the Diefenbaker Bill of Rights, was the right of Canadian citizens to own and to hold property.

In checking to see what had happened to this historic document, I found that in 1967, Centennial Year, the then Prime Minister, Lester Pearson, wished to display to Canadians two important historic Acts. The ones he did display were the Proclamation of the Flag along with the Diefenbaker Bill of Rights, the original of which was displayed for two years, up until 1969. Then through some problems with humidity and some concern for the wellbeing of this important document it was removed. The document was replaced in the display case originally by a unilingual document, which was to be rotated, using one or other of the official languages, on a monthly basis. Shortly after that another display case was built and it was then possible to display it in both English and French. Up until this time, Mr. Speaker, I have not been able to find out, or, even receive a reply from the Government, what really has happened to this document and where it is. This document was the first Bill of Rights in recent history given to the Canadian people. It is a Statute which still remains, and was originally to be pre-eminent over all other documents.

• (1805)

Mr. Fox: Public Archives.

Mr. McKnight: Mr. Speaker, I hear something from the Minister of Communications (Mr. Fox) across the floor. He is telling me that it is in the Public Archives. I do not see the difference between the Diefenbaker Bill of Rights, in the constitutional progression of our country, and the other documents which I see displayed in the Hall of Honour.

One matter which does concern many people is the apparent attempt to rewrite or change history—not because of language but, rather, because of the political Party involved—to make it appear that the one political Party is the only Party which has progressed and brought constitutional changes to Canada.

Mr. Fox: That's besides the point.

Mr. McKnight: That is really something which most fair-minded people in Canada would find offensive. There must always be some credit given to the Diefenbaker Government and, in particular, to that honourable gentleman for developing and putting forward our first Bill of Rights. If these fears of mine are groundless, I would be only too happy to hear that.

I would also like to ask the Parliamentary Secretary when this important document will be placed on display in the Hall of Honour with other documents showing the constitutional steps we have taken. It is something which should not be missed by Canadians. It is something Canadians look for, especially those from my part of Canada who revere Mr. Diefenbaker. I do not see any reason which would stop the Government from displaying something as important to Canadians as the Diefenbaker Bill of Rights. I hope to receive a satisfactory answer.

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, to mark the patriation of the Canadian Charter the Government of the United Kingdom gave to Canada, on October 1, 1983, facsimilies of the major British documents respecting Canada's constitutional development, including the Royal Proclamation of 1763; the Quebec Act, 1774; the Constitutional Act, 1791; the Union Act, 1840; and the British North America Act, 1867. At the same time, the British Foreign Secretary, Francis Pym, also presented a special copy of the Canada Act 1982, produced on parchment.

The Speaker of the Senate and the Speaker of the House of Commons decided that these documents of Canada's constitutional development should be put on display in the Hall of Honour so that thousands of Canadians who visit Parliament each year might be able to gain an even greater understanding of various stages in the evolution of Canada as a sovereign state.

They also decided that the edict creating the Sovereign Council of Quebec, 1663, which established New France as a royal Province and made provision for civil Government, should figure in the display. That original document is on loan from the Archives of France until September 5, 1983. The collection of documents of Canada's constitutional development also includes the proclamation of the Constitution Act, 1982, signed by Queen Elizabeth II. This document completed Canada's evolution as a fully sovereign state.

The collection of constitutional documents is complemented by a display of three proclamations establishing Canada's symbol of sovereignty: The Royal Proclamation of the Coat of Arms of Canada, 1921; the Proclamation of the Canadian Flag, 1965; and the Proclamation of the National Anthem, "O, Canada", 1980.

The number of documents to be included in such an exhibition is inevitably limited. The main exhibit deals only with the principle documents respecting Canada's constitutional development leading to full sovereignty, and the complementary exhibition deals only with the Canadian symbols of sovereignty. The exhibition of documents does not seek to deal with every aspect of Canada's constitutional and political evolution. For this reason, it was decided that another exhibition dealing with other aspects should be organized by the Public Archives.

I might say at this time that the Public Archives removed this document from the showcase because a signature on the document was being raised by the light reflecting in the showcase.

It should be noted that the exhibition in the Hall of Honour includes The Proclamation of the Constitution Act, 1982, which brought into force that Act which includes the Canadian Charter of Rights and Freedoms. However, the Constitution Act, 1982, itself is not included in the display.

• (1810)

The collection of constitutional documents does not include the many historic statutes of the Parliament of Canada that are of great significance for the people of Canada, such as the Official Languages Act of 1969, or indeed the Canadian Citizenship Act of 1947 or, for that matter, the Canadian Bill of Rights of 1960. The exclusion of such documents does not reflect in any way on their importance for Canadians.

RAILWAYS—CROWSNEST PASS RATE—RAILWAY UPGRADING—PRIME MINISTER'S POSITION

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, on May 20 I asked the Prime Minister (Mr. Trudeau) a quesiton concerning the railway upgrading and the Crowsnest pass rate. I was basically attempting to determine from the Prime Minister whether he had been very clear in his discussions with the various provincial Premiers and interest groups in the West when he asked their opinions of his proposed transportation initiatives. I asked if he had been clear as to whether he was talking about the need for railway upgrading, and what was their opinion as to the need for that activity, aside from a decision to change the historic Crowsnest rate charged to farmers. He fudged the issue somewhat in his answer.

In his answer as reported at page 25627 of *Hansard*, he said:

> There are two aspects, and some of my interlocutors are more interested in one aspect than in the other. For instance, it is easy to see that those who are interested in an improved transportation system would probably include a lot of Manitobans, because I understand the Minister of Transport has announced or will announce that there will be some 1,000 proper cars or so built at the Transcona plant in Winnipeg.

That was the point on which I wish to raise an interjection. The cars that are being built in Winnipeg have nothing to do with the proposed transportation Bill C-155 that was before the House. Those cars are not being built to transport grain. They will be coal cars and there is a vast difference in the design and utilization, consequently, of those cars.

The cars being built in Winnipeg are small volume cars designed to carry a very dense material like coal. They cannot be interchanged for use in grain haulage and really fall outside the proposed legislation we are being asked to discuss in the House. As well they fall outside the discussions that have been going on between various farm groups and, to some extent, the provincial Premiers.

I believe the Prime Minister's answer left us with the impression that the question of the rate and upgrading were thoroughly and inalterably intertwined. Our Party and many other people in Canada do not see that to be the case, and that view is held not only by western Canadians but by people right across the country.

We have been making the point for some time in the House that the railway's ability to move grain has not really been limited by the amount of technology that exists in the railways now. Railways have upgraded considerably and consistently. Admittedly, they have done so through intrusions into the public purse at times. However, we note that the proposed subsidies included in Bill C-155 of $651 million annually include subsidies that have existed under previous legislation. For example, there is the branch line subsidy of $278 million which is being paid now annually. I would remind the House that those subsidies are being paid to transport the grain directly from the elevator to the seaboard, and they relate to all the costs of moving grain from those branch lines directly to the seaboard. That covers closeto 30 per cent or 35 per cent of the total crop moved in the country.

• (1815)

I think there are some problems regarding the background reasoning for the decision that has been made. Let me point out a couple of things. The railways cannot obtain more efficiency with this rate. The rate was very profitable up until the last 15 or 20 years. There is some dispute as to whether or not it is still profitable. Many figures we have been able to obtain would indicate that the railways come very close to covering all their operating costs. The upgrading costs are being paid out of the public purse. The cost of the hopper cars is being paid out of the public purse, from farmers pockets and with provincial money.

As far as efficiency of the railways is concerned, using one format for computing efficiency, this has gone from roughly a train load average of 22 cars at the beginning of the century to a situation today when 110 cars are moved per train load. The cars today are much larger than the ones used in 1900. The efficiency ratio there is about ten times in terms of the crew and backup people necessary to maintain the trains on the tracks. About one-fifth of the crews and backup staff are now needed if you compute efficiency on a train load basis.

If you compute efficiency on a tonne mile basis, about one-fiftieth of the backup staff is needed today compared with the turn of the century. Costs are not consistent with what occurred back then.

There have been many ways of reducing costs. The compensatory rate Mr. Snavely determined is not very accurate. When you use his figures and superimpose them on the financial statement for one of the most profitable years of CPR you will find, on a train load basis, that the returns would be more than twice the actual train load mile costs.

We argue that the Prime Minister has not fully understood the problem. It is not just an economic problem, it is a social problem. It is a problem affecting the security of the country as an economic entity. It is a regional problem, not just an economic problem. It is a truly political problem of a national sense. I again call upon the Minister to split the Bill, split the two issues and deal with them as two separate issues, which they most clearly are.

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I think the Prime Minister (Mr. Trudeau) well understands the situation. The question is whether railway upgrading and changing the Crow rate are

inseparable issues. It is the Government's view that the two must go together. Theoretically, I suppose it would be possible to charge arbitrarily low freight rates for certain commodities, and then to pour taxpayers' money into upgrading whenever it is thought to be needed. But in the Government's view, it is neither sound management nor sound economics to charge freight rates that bear no relationship to the costs incurred in the transportation.

Grain is perhaps the only commodity in the country in respect of which 4025;-1 freight rate bear no relationship to transportation costs. Rail freight rates for other commodities, elevator charges, passenger fares on public transit, even public utility fees—for example, Manitoba Hydro, in a Province with an NDP Government—have been subject to periodic fee increases in an attempt to recover a reasonable proportion of the cost incurred. Unless there is a reasonable amount of revenue from each type of traffic, it becomes impossible to determine whether that traffic will grow or decrease, where it will move and, consequently, where investment for upgrading of facilities are required.

None of the above excludes Government support of grain transportation, even as a long run proposition. The Government fully recognizes the contribution of grain to Canada's exports and balance of payments. That is why grain will never have to pay the full cost of transportation. Under the present plan, it will pay about 60 per cent of the true cost by 1990-1991. If grain prices remain depressed, the "safety net" will take effect before that and grain will pay a smaller proportion of transportation costs.

The Government is convinced that some additional revenue is required from grain to allow the railways to commit themselves to the expansion needed to accommodate future growth in traffic over the next decade.

• (1820)

NATIONAL DEFENCE—REQUEST THAT CF-104 AIRCRAFT BE BANNED FROM AEROBATIC DEMONSTRATIONS. (B) REQUEST FOR DOCUMENTATION ON ACCIDENTS

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I wish to elaborate on a question I asked some time ago in the House concerning the Canadian Armed Forces operation of the CF-104. Of the 239 acquired by the Canadian Armed Forces, 110 have crashed and there has been a 46 per cent failure rate. Over the last six months five pilots have been killed in CF-104 accidents, and over the term of its use approximately 33 have been killed.

When the Minister of National Defence (Mr. Lamontagne) was questioned about this in the House, he indicated that the Opposition was attempting to make a tragedy out of the most recent situation in Germany in which a clergyman and his family were killed by the crash of a CF-104, with a greater tragedy just narrowly being missed with thousands of people watching an Armed Forces public display.

There is no doubt in anyone's mind that this is an extremely dangerous aircraft. It was pointed out that some squadrons in the RAF had better flight safety records and less loss of aircraft during the second world war when the aircraft were actually involved in active combat than the CF-104. The aircraft seems to have some design problems. It is a single engine aircraft which cannot be relit after an engine failure. In West Germany the aircraft was described as a national scandal, with 252 accidents and 177 that have crashed. Also 24 have been lost in Italy. The current figures stand to be updated. Of the 1,900 manufactured, 600 have crashed. There is no doubt that this is an absolute tragedy. It is a serious situation. It is ridiculous for the Government to maintain aircraft with such a performance record.

Some of the rationalizations which have been used to justify continued usage of the aircraft are interesting. One article indicates that fighter pilots like to fly the CF-104, that it is a great honour, and that it is like the infantry soldier who knows there is risk but wants to be doing what he is doing. Unfortunately the five people who were killed on the highway in Germany did not want to happen what happened to them. Of the two persons who lost their lives in Alberta, one had a wife and four children. I am sure they do not want to be doing what they are doing today.

We in the House of Commons must ask ourselves whether this is justified. Frankly, in peacetime, astronomical losses of a dangerous aircraft such as that are completely intolerable.

Returning to the Cold Lake situation, the two aircraft that we lost did not appear to have been equipped with normal emergency locater equipment. The justification that military aircraft are exempt from carrying emergency locater transmitters is absolutely appalling on the part of the Canadian Government. Armed Forces pilots are probably the best trained and the most safety conscious pilots—beyond the shadow of a doubt. For the Canadian Government to permit the aircraft to be flown without ELTs is an extremely poor example to civilian pilots the Government is trying to convince should adhere to the law and maintain their aircraft. It is also a very poor example to set in respect of aviation safety. Unfortunately in cases of accidents where pilots survive in hostile countries, it could result their deaths. Emergency locater transmitters must be installed on all those aircraft. There must be operational changes in the aircraft. Unfortunately on the day that this matter was raised in the House the Minister indicated that there would be none and that the aircraft would continue to fly.

I submit that there must be a public investigation into the aircraft and its crashes, a search for common threads. The Minister made a commitment to make crash investigation records available indicating the variety and number of aircraft that went down, and the causes. I ask that he fulfil that commitment. The Minister must prohibit the use of those aircraft in aerial and aerobatic demonstrations. It is just too risky for the pilot to fly the aircraft at low levels, and it is too dangerous for the people watching.

Finally, the Minister must prohibit the use of the CF-104 in commercial airports. There can be no justification for flying this aircraft into heavily populated areas such as Vancouver

and Winnipeg, where civilian airports are used. It is completely unjustifiable. The Minister must recognize that he cannot hide or attempt to justify these tragic accidents. We must all be very forthright and move quickly to investigate the causes. We must also act quickly to put the aircraft into very rigid operational roles in which they are known to be safe before we lose anymore pilots and before we have a repeat of the kind of tragedy we recently saw in Germany.

• (1825)

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the Hon. Member expresses several concerns in regard to the regrettable accident which occurred during an air display last month in Germany. He has questioned the operational suitability of the CF-104 in its current role in Europe, its accident record and also its continuing suitability for operations. The specific questions he has posed would take much longer to answer than the three minutes allotted to me. I will therefore just generalize and give him the highlights. Hopefully on a more personal basis and through correspondence I can give him the details.

On all of these contentions I must strongly take him to task, not only on the tone, the implications and indeed the facts that he has used in questioning the use of this aircraft, but especially on his lack of appreciation and sensitivity to the very difficult task that the pilots are called upon to perform for the security of this country. As the Minister has already pointed out in the House, we would not allow our pilots to take to the air in any aircraft if there were any questions whatsoever relating to the operational safety and soundness of the aircraft.

It has been accurately reported in the media that both the United States and the Canadian experience with this aircraft in so far as accidents rate are concerned is similar. Indeed, the same is true with regard to the accident rates of our six NATO allies who are also flying this aircraft in the European theatre. The CF-104 is a high performance military aircraft intended for use in a very hostile environment. This inevitably requires specialized training missions that simulate actual wartime conditions.

This plane is not used for aerobatics at the various exhibits. It is simply a fly-past and the impression that is left on the spectators results from the speed at which they fly and the concomitant noise they produce.

With regard to the specifics of this unfortunate accident, may I assure the Hon. Member that, as with all accidents involving Canadian Forces aircraft, we are conducting an intensive investigation into the causes. May I assure the Hon. Member that the findings of these investigations are not secret, although some of the information gathered may indeed be of a confidential nature.

I can tell the Hon. Member that during the last five years only 13 per cent of the CF-104 accidents have been caused by identified material deficiencies. Therefore, to suggest that the aircraft is not airworthy for war service is simply not true. Our pilots are among the best trained pilots in the world. They are consummate professionals. They do not shy away from the CF-104. Indeed, they look forward to serving with it. They consider the opportunity to fly this high-performance aircraft in a demanding role a privilege. It is an extremely demanding job which they carry out with the utmost of professional capability, and we are rightly proud of them. I see my time is up, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until eleven o'clock on Monday, June 13, 1983, pursuant to the Order adopted earlier today.

At 6.28 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, June 13, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANAGREX

MEASURE TO ESTABLISH

Hon. E. F. Whelan (Minister of Agriculture) moved that Bill C-85, an Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, be read the third time and do pass.

He said: Mr. Speaker, I am very pleased to have the opportunity to speak at third reading of Bill C-85, legislation which will establish the Canadian agricultural export corporation, Canagrex. Long awaited, Canagrex will assist in the expansion of agriculture exports, particularly in the non-grain sector where in the past number of years we have experienced about a $2 billion trade deficit. Canagrex will be a catalyst to assist growth in export areas long considered the domain of some of other trading partners around the world and we will compete in a progressive—excuse the word—

Mr. Epp: Don't apologize.

Mr. Whelan: —and positive action, using all the tools that Bill C-85 provides. Canagrex will not—

Mr. Huntington: Will not be around long.

Mr. Whelan: —and I want to repeat and emphasize this point—compete with Canadians. Canagrex will, however, within the context of the legislation, create an atmosphere for competitive growth on the export markets of the world for those products we have already identified as being "soft" in our over-all trade picture.

I am very disturbed over the statements made by the Official Opposition over the past few months, and again during report stage in the House last week. Still seemingly bent on creating a "bogeyman" out of this important piece of legislation, the Official Opposition has falsely claimed that Canagrex is a move by the Government to take over the agri-food industry.

Tying its argument into its stance on Crown corporations, the Official Opposition claims we do not need another Crown corporation and that through establishment of Canagrex the free enterprise attitudes within the agri-food industry will disappear. In one breath the Official Opposition says a loud "No" to Canagrex based on its Crown corporation argument, and in the next breath the Official Opposition says you can have your Crown corporation, Mr. Minister or farmers of Canada, just so long as you remove the buy and sell powers contained in the Bill.

What are the Tories against, Mr. Speaker, Crown corporations?

Mr. Darling: That is a good question!

Mr. Whelan: Is the Official Opposition really against Crown corporations? I do not really think so when you study the history of the Tory Party. My heavens, it was the Tories who began some of the most distinguished Crown corporations in this country.

Mr. Huntington: Absolutely right.

Mr. Whelan: The Canadian Broadcasting Corporation was started by the Conservatives. The Canadian Wheat Board was started by the Conservatives and the Canadian National Railways was started by the Conservatives. The other day I heard one of the Members on the other side say: "Look at what the CN Railway has done". But he did not say: "We created it and we are sorry or we apologize for it", or anything else. He did not say that at all.

Mr. Epp: This is your last one. Go ahead.

Mr. Whelan: No, the Tories are not against Crown corporations. They are against farmers in this country having the opportunity to become active players in the export game. What they are saying is that those farmers have no business in the export market. Even if they want to, they say: "We would like to deny you that right". Then they claim they are the friends of the farmers. I am surprised. I even know some of the Hon. Members' in-laws who are not of the same political faith that I am but are strong supporters of Canagrex, and they have told me what they have told their relations. Some Tories are only interested—and I am not putting them all in the same boat, but I know what some of them have told me privately—in maintaining the status quo when it comes to agri-food export development.

It is clear to me that the Tories are only interested in serving a specific sector of the agri-food industry when they request still further amendments on the buy-sell clause.

I have said many times in the past number of months, when the all-Party standing committee concluded its hearings on Bill C-85, there was consensus on the 14 amendments, and the

Tory Party's own agricultural critic, the former Minister of Agriculture, the Hon. Member for Elgin (Mr. Wise), who was on that committee, called the amendments reasonable. His words are recorded and he is a very reasonable person, of course. He realized the value of what the Bill would do, and he knows every effort was made by all Members of that committee to ensure Bill C-85 was equitable to all concerned.

He was particularly pleased to see us include the "at the request of" clause in the buy-sell portion of the Bill, and he expressed at the time that he felt it was something he could sell to his caucus. Being a reasonable person himself he figured the majority of the Conservative caucus feel the same way. Well, it appears he was not listened to, and if the Official Opposition had its way, farmers in this country would continue to lose valuable export opportunities and be made to sit on the fence.

• (1110)

I would point out, however, that Canadian farmers have never lost any freedom because of Crown corporations which operate under the authority of my Ministry.

Mr. Huntington: That is absolutely ridiculous.

Mr. Whelan: Mr. Speaker, I would challenge the Hon. Member to find examples of when any one of those Crown corporations was used other than to help farmers. In turn, by helping agriculture and farmers it helps the total society.

Let me refer to a few examples. There is the protection offered by the Farm Credit Corporation. All of them are asking me to expand the Farm Credit Corporation to take care of long-term farm loans and mortgages which are needed because the private sector is not properly looking after farm credit in the country. Also we have the Agricultural Stabilization Board, the Canadian Dairy Commission and prairie farm rehabilitation. Farmers are free to develop their farms under these organizations, choose their crops, improve their efficiency and become the most productive farmers in the world.

I challenge anyone to find anything that this Minister or this Government has done which has taken away any rights from the farmers of the land. We have given the farmers of the land more rights than in any other land in the entire world. Let that be a known fact.

Mr. Huntington: And more problems.

Mr. Whelan: The farmers in the United States of America do not have the same rights as our farmers. The farmers in Britain do not have the same rights as farmers here. The farmers in France do not have the same rights. The farmers in the U.S.S.R. do not have the same rights. The farmers in Poland to not have the same rights as those here. They hardly have any rights at all there. We are saying that it they want those rights they can have those rights. There is nothing "back door" about Crown corporations. They were established by Acts of Parliament and they report to Parliament, the ones for which I am responsible. No one can accuse me of bringing in Canagrex through the back door.

Mr. Taylor: You are responsible for closure.

Mr. Whelan: Canagrex could have been brought in by Order in Council, if I had wanted to do it. I chose the legislative route.

Mr. Taylor: What is the difference when you bring in closure?

Mr. Whelan: I am very happy about having chosen the legislative route.

Mr. Taylor: Are you happy about closure?

Mr. Deputy Speaker: Order, please. The Hon. Minister of Agriculture has the floor.

Mr. Whelan: No other piece of legislation in which I have ever been involved has had as much discussion as this since I have been Minister of Agriculture. It was before the Committee, before the House, before the Senate Committee on Agriculture. I have never seen that much discussion on any other piece of legislation with which I have had anything to do.

The Act to establish the agricultural export corporation is what is before the House. Hon. Members opposite continually point out bad things about Crown corporations. They hardly ever point out what the Auditor General said about this legislation. He said in his annual report: "I am happy to see that this Crown corporation will be the first". Afterwards when I asked him why he said that, he said it was because it was the first the Auditor General could go in and review completely at any time. He said: "Mr. Whelan, it is not only a first in Canada for the federal Government but it is a first for the Provinces. There is no other free country in the world which allows that of the Auditor General and what you are going to do with Canagrex to protect the public interest". How often do they report that; how often do they say that?

Then there was an amendment brought in by the Hon. Member for Prince Albert (Mr. Hovdebo), an NDP Member. He made a suggestion which the committee and I accepted. When they talk about the powers to buy and sell, other Provinces with Crown corporations have the power to buy and sell. For instance, in Alberta they have the power to buy and sell. They said that they could not even operate with their cattle sales agency if they did not have the power to buy and sell.

Mr. Taylor: They did not bring it in by closure in Alberta.

Mr. Whelan: Certainly not this Minister—

Some Hon. Members: Oh, oh!

Mr. Taylor: Did you ever hear of free speech?

Mr. Deputy Speaker: Order, please. The Minister of Agriculture has the floor.

Mr. Whelan: No one on this side of the House, not this Minister of Agriculture, wants to set up any Crown corporation which is not answerable.

The Auditor General investigated the Canadian Dairy Commission. I asked him to do that. I had to ask him to do that because he does not have the authority to do it unless the Minister asks him. I asked him to review the operations of the Canadian Dairy Commission. He found some fault with it. I challenge anyone on either side of the House to point to any private corporation or Crown corporation and say that it is perfect. No such thing exists, as far as that goes. Even as well as I run the ones for which I am responsible, I would not say that they are perfect because I am not perfect myself.

• (1115)

It is a cop-out for Members opposite to accuse Crown corporations of fostering socialism and to suggest that same kind of philosophical free enterprise will solve all our problems. That kind of enterprise has been nothing more than philosophical for generations. Members opposite know that as well as anyone. Otherwise Alberta would be served by a private telephone company instead of a public one, Ontario residents would buy their liquor from private dealers instead of a Government-owned liquor control board operated store, and Quebec residents would buy their electricity from private power companies instead of Hydro-Québec.

Crown corporations have been set up to deal with special needs. Why do we not recognize that? All Governments in Canada have recognized that special needs exist and that they have a responsibility as the elected representatives of the people to see that those needs are met. That is what we are doing here. Sometimes Governments have been able to provide assistance to private industry to meet the need. Where that has not been possible, the Crown corporation has proved to be an ideal way to solve the problem.

Setting up Government agencies to meet the public needs that are not being served by the private sector is not unique to Canada. Nearly every Government in the world does that; yes, even the great free enterprise Government to the south of us in the United States of America does that. Check what it has done.

Mr. Taylor: They don't bring in closure.

Mr. Whelan: They do not have to bring in closure because they have a more responsible House, with rules under which you cannot do the same things that can be done here. We never brought in closure.

Mr. Taylor: You brought in closure.

Mr. Whelan: The Member keeps using the word "closure". We brought in time allocation. Closure means just what it says—bang, closed, a one-day debate, a vote by 1 a.m. the next morning. Time allocation in the Mother of Parliaments under Her Majesty is used almost every day. They have a business committee of the House. They do that in a gentlemanly way.

If there is anything unique about Canada's Crown corporations, it is their effectiveness in carrying out their responsibilities and their accountability to Parliament. We have a proud record. Let us look at some that we have right here in this capital. Anyone who looks down the list of Crown corporations and evaluates what they have done will have to admit their effectiveness.

There is a Crown corporation which handles museums in this country. Look at the magnificent job the National Capital Commission has done in developing Ottawa, Hull and the surrounding area. The National Research Council has a worldwide reputation. You must also look at the role of the Canada Council in promoting the arts. These corporations are outside of my territory a bit, but I am well aware of them, as are Members opposite. Would they want to destroy those Crown corporations? They have the power to buy and sell the National Capital Commission. In a farm magazine I read this morning, it stated that the ploughing match will be held in this area in late September. The article brags about the green belt which the National Capital Commission has preserved around this city. That has been tremendous for this city. It is a Crown corporation which kept this belt around the city. Would Members opposite have the nerve to say to the Members of Parliament from the national capital area that they want to abolish the National Capital Commission and set up something different? I would dare them to do that.

Canagrex will enable Canada for the first time to deliver a co-ordinated approach to export marketing in this country, something that we have never had. It will provide new opportunities for exporters, the traditional trader as well as the newcomers to the export market field. What all of this means is increased dollar gains on international markets for Canada and increased job opportunities at home. Regardless of what anyone says, it means jobs. Under our agri-food strategy, we can see that in the next 15 years we will be providing 150,000 to 200,000 new jobs.

I believe that one of the most exciting aspects of the Canagrex legislation is that it will facilitate the entry of new exporters, thereby allowing for greater diversity of Canadian agri-food products on the export market. Through the creation of Canagrex, doors will open to potential exporters, big and small, which for many years have remained closed. Canada's potential in agri-food export marketing, while not unlimited, certainly has not been tapped to its fullest. We have the resources in the country to enable us really to begin to do a job in an area once considered too tough to conquer. It is a matter of knowing what our true potential really is and then setting our goals and coming up with an effort that is tough for the competition to beat.

• (1120)

I find it simply amazing that there is still concern that the federal Government is creating an agent that will take over the entire agri-food industry. Nothing could be further from the truth, and I repeat nothing, and one only needs to read the

legislation to realize that that is not the intent of the legislation, Mr. Speaker. Its express purpose is to assist export expansion and nothing more. Canagrex will act as a facilitator to the agricultural export industry.

Some may be surprised by the people who are ready for this legislation and want to work with it.

Mr. Taylor: Then why do you have to use closure?

Mr. Whelan: We are not trying to take business away from the private trade, as some have suggested. We want private enterprise to grow and to continue to play its historical and important role in the development of Canada's export trade. If the remainder of our exports are compared with our total imports, it can be seen that there was a non-grain agricultural trade deficit of about $2 billion. Canada has the resources to do much better than that, Mr. Speaker.

The key to generating increased agri-food production is to improve market development and Canagrex will play a vital part in that development. Nowhere is Canagrex given monopoly power over any commodity. Its powers can only be used in conjunction with private trade to facilitate export. It cannot be involved, as was said here the other day, in putting little cans that say "Canagrex" on the walls of the supermarkets in Canada. Any person with common sense who reads the legislation can see that it is that plain. The amendments have been made in a way that will not allow that to happen.

Cries of a takeover conspiracy by the opponents to Bill C-85 are the most absurd cries I have ever heard.

Mr. Taylor: You deny us a right even to speak on it.

Mr. Whelan: Those opponents are selfishly trying to destruct an export mechanism that the majority of the industry has requested for years.

Members of the Official Opposition know that they have not fairly addressed a recognized problem when they criticize this legislation. The Canadian Federation of Agriculture, with its membership of over 200,000 Canadian farmers, want this Bill. It is a producers' Bill and producers have every right to be players in the agricultural export world. To deny them that right is undemocratic because Canadian farmers rely heavily on exports. They rely on exports more than any other group of farmers in the world.

Mr. Taylor: Canadian farmers do not want it.

Mr. Whelan: Upwards of 50 per cent of Canadian farmers' income comes from export while approximately 30 per cent of American farmers' income comes from export. It can be seen how important export is to farmers in the country. It can be understood why such a healthy agricultural industry has been built over a period of time within our cold, northern hemisphere climate. At one time the geographical location of Canada led many people to say that it would be impossible to develop an agricultural industry in the country. We have developed one, Mr. speaker, that is the envy of the world. Studies have shown that while as a nation we have taken positive steps in agricultural export trading over the years, there is still a need to diversify the commodities we offer on world markets. For this reason, and as a means of focusing attention on the Canadian agricultural trade effort, the Canagrex legislation is timely.

When reading Bill C-85, it can be clearly seen that Cangarex's powers to buy and sell can only be exercised in relation to its purposes, which are to promote, facilitate and engage in the export of agricultural products subject to the following limitations: Canagrex can only engage in the export of agricultural products when invited to enter into ventures jointly or in co-operation with, or at the request of, Canadian companies, co-operatives, marketing boards, associations, individuals carrying on business in Canada or contracts with foreign Governments.

Second, the power to purchase, lease or otherwise acquire and hold real property for actual use by Canagrex in the operation and management of its business does not, Mr. Speaker—and I must repeat, does not—include power to purchase, lease or otherwise acquire real property for the production of fruit, forage, grain, vegetables or other crops, the raising of cattle, poultry, sheep, swine or other livestock or the processing of any agricultural or food product. Those limitations are as clear as a bell.

Those amendments were made and the Hon. Member for Elgin said that they were reasonable. He said: "The Minister has been more flexible than I expected him to be". This is on the record. Moreover, on the criticism of Canagrex's power to enter into joint ventures with the private trade and the farm organizations—

Mr. Taylor: You know not what you do.

Mr. Whelan: You can see how democratic the Opposition is being, Mr. Speaker.

Mr. Taylor: We did not bring in closure. You brought in closure, not us.

• (1125)

Mr. Whelan: We brought in time allocation. Every democratic Parliament in the world accepts time allocation. It is a good thing to deal with legislation. Hon. Members opposite want a form of anarchy.

I should like to note that a number of provincial Crown corporations, such as those in Saskatchewan, Quebec and Prince Edward Island, already have the power to buy and sell. In Alberta they have the power to buy and sell, to purchase property and do whatever they want.

Mr. Taylor: They don't bring it in by closure.

Mr. Whelan: The federal Government, under the Agricultural Products Board Act has had the power to buy and sell since 1952. I would challenge any Member in the House to find out when this Act was used by any Minister of any political stripe to harm agriculture. It has always been used to assist agriculture. We are using it in Ontario at the present time to buy up tomatoes and surplus canned products. We are putting $8 million into that program. We are using it in British

Columbia and have used it practically every Province in Canada—but at their request. It was at the request of the Canadian food processors of this country that we used that power.

Mr. Taylor: But you have to be Liberal to get it.

Mr. Whelan: The federal Government has had these powers. I would challenge the Hon. Member to find any Conservative Minister who has abused the powers vested in him to administer the Agricultural Products Board Act. It has never been abused. It has never been used to hurt but always to help. Hon. Members opposite should study a little history.

Mr. Huntington: What about the national energy policy? It is just a boondoggle.

Mr. Whelan: The power to buy and sell is in keeping with standard business practices. A necessary tool of Canagrex is properly to serve the agricultural export industry.

As a point of information, Mr. Speaker, I should like to refer to what Mr. Tony Saretsky of the Alberta Canada All Breeds Association said when he appeared before the Standing Committee on Agriculture on May 12, 1982. Responding to a Committee member, the Hon. Member for Humboldt-Lake Centre (Mr. Althouse), Mr. Saretsky said his association had the power to buy and sell. Imagine that, in Alberta, Mr. Speaker. He said he could not operate if he did not have the authority to buy and sell, that he could not work until he got that authority. Is the power to buy and sell called free enterprise when it is in Alberta and when the federal Government gives the authority to join together to buy and sell to all the Provinces that do not have the resources that Alberta has, is that socialism? Is it free enterprise when it is provincial? I do not understand that philosophy and I do not think anyone else does Mr. Speaker.

As was pointed out during that stage, what was most interesting was the fact that Mr. Saretsky indicated to the Committee that originally his association did not have the power to buy and sell. The full text of his statement may be found on page 28, Issue 67 of the Minutes of Proceedings and Evidence of the Standing Committee on Agriculture.

I might add, Mr. Speaker, that the power to buy and sell under the Canagrex legislation is not going to be directed at traditional export traders of agricultural products in this country. In fact, although Hon. Members doubt this, many Hon. Members and many farm leaders have said: "As long as Whelan remains Minister of Agriculture, we do not have to worry about the legislation." It is there to ensure that Canagrex will be able to respond to any situation which might arise.

Mr. Taylor: No other Minister of Agriculture in Canada would bring in closure.

Mr. Whelan: Canadian farmers see the wisdom of an agency that would tie together the export practices of the public and private sectors and strengthen our thrust into foreign markets. Other countries are doing it so why should the Canadian agricultural industry not have the same kind of tools that other countries have to ensure that we do not lag behind?

It is interesting to note that while Canagrex was being discussed, developed, amended and politicized, the United States increased its capacity to deal on the export market through passage of the Export Trading Act. It never had to use time allocation because it saw the need, charged ahead and did it.

Mr. Huntington: But the Members designed it, not the bureaucrats.

Mr. Whelan: President Reagan signed the Act into law on October 8, 1982, giving the American agricultural industry yet another tool to help capture agri-food markets around the world. The purpose of the new law in the United States is to stimulate U.S. exports by facilitating export trading companies, export trade associations and more export trade services in general.

In Great Britain a couple of months ago, just before Mrs. Thatcher decided to call an election, they established a law called "Food From Britain" to establish a new marketing organization whose prime function will be to help co-ordinate and promote marketing initiatives throughout Britain and the world.

For those reasons and the fact that other countries such as Israel, France, Germany and Australia all have comprehensive export trading and promotional mechanisms, it is important for Canada to act.

• (1130)

I am pleased with and proud of this legislation, Mr. Speaker, because it is what the majority of farmers in this country asked for. I am pleased because producers have had a recognized need addressed positively with this legislation. They now have the needed tool to assist expansion of agri-food products.

I am also proud, Mr. Speaker, because I know of the long and dedicated hours so many people have given to the drafting of this Bill. One person I would particularly like to pay a compliment to is Dr. Dennis Ware who, while attending a conference in Europe on behalf of the Minister of Agriculture, suffered a heart attack. Dr. Ware is a most dedicated civil servant and his team at Agri-food Canada unselfishly gave of their time and their talents to ensure that this legislation was written as equitably and as responsive as is humanly possible. I worked with Dr. Ware for months. Some of the other Hon. Members know him also. He is home in Ottawa now convalescing. There is no more dedicated person and no more serious and honest Canadian than this man, and he comes from western Canada, British Columbia. He saw the need because he understands the world situation. He was the person with whom we all worked. The former Minister of Agriculture on the other side of the House worked with him also, and he knows of what I speak.

What is currently paramount in agri-food trade application for Canada is that we do have the necessary facilitators in place to ensure Canada can do the best job possible, to work with, to assist, to facilitate. That is how Canada was built, not by—no, I will not say what I was thinking. Canagrex will be one of those facilitators, Mr. Speaker.

In a spirit of co-operation and exercising the greatest planning and care, I am very optimistic that Canadian agri-food export marketing has a bright future to look forward to. We know that by the respect we have built over a period of years around the world and by the relationship which our farmers have adopted with many, many different peoples around the world. Our farm organizations do not live under a little umbrella or under a basket. They recognize what is going on in the rest of the world. They are the ones who asked for this legislation. They are the ones who thought up this legislation. We promised this legislation in two election campaigns. It has been delayed in this House.

Mr. Taylor: They did not ask for closure.

Mr. Whelan: I am not ashamed one bit to bring in time allocation.

Mr. Taylor: You are proud of closure.

Mr. Whelan: Time allocation is something which the Mother of Parliament uses practically every week, if not every day, in the House of Commons procedures in Great Britain. It recognizes that it is an important tool to make sure that Parliament works.

Mr. Taylor: Parliament working under closure stops Parliament from working.

Mr. Whelan: Some Hon. Members here have used the word "closure", and they continue to use the word "closure", which is not accurate, Mr. Speaker. It is dishonest as far as I am concerned. After some 85 hours of debate in committee and in the House, and after the Senate holding hearings for nearly half that many hours, to say we are putting in closure is false, false, false. When we say "time allocation", in essence, what we are saying is: "The people have asked for this. The majority of them want this. It is time we quit talking about it and put it into action."

Some Hon. Members: Hear, hear!

Mr. Neil: Mr. Speaker, I have a question I would like to put to the Minister. I understand we ask questions. I have been in the House for about 11 years. During that time I have served continuously on the Agriculture Committee and I found it to be a very co-operative Committee, particularly in the earlier years. Hon. Member from all sides of the House were doing their utmost to do their best for agriculture. However, in the last two or three years, I have seen a certain stubbornness develop on the part of the Minister.

Mr. Whelan: Where is the question?

Mr. Epp: He does not have to ask a question. He is making a comment.

Mr. Neil: The Minsiter had better read the rules, Mr. Speaker. I can make both comments and ask questions, and I am coming to my question. I said that in the last two or three years I have detected a certain stubbornness on the part of the Minister in refusing to co-operate with the members of the Agriculture Committee to do what is best in the interests of the producers of Canada.

During the Committee hearings we talked about the part which Industry, Trade and Commerce plays in our export trade. We talked about the part which people in External Affairs play throughout the world in exports. We asked to have representatives from those Departments brought to that Committee for the purpose of discussing with them the effectiveness of what they were doing, in order that we could determine whether or not we needed Canagrex, whether the power should go to IT&C or External Affairs, or whether IT&C and External Affairs power should come to Canagrex. Can the Minister tell the people of this country why he refused to allow witnesses from those two Departments to appear before the Committee in order to let the Committee have the full story so that they could make a decision as to what was best for the producers of this country?

Mr. Whelan: First of all, Mr. Speaker, I do not have anything to say about the people from Industry, Trade and Commerce, External Affairs, or anyone else appearing before that committee. The Hon. Member cannot find anything in the records to show that I stopped them from coming before the Committee. He is putting something on the record here today which is just not fact. Those people are under another Ministry; they are not under the Ministry of Agriculture. This Bill is being sponsored by the Minister of Agriculture. The opportunity to question them about what they do is when that Ministry's estimates are before the committee responsible for hearing those estimates at that time.

When the Hon. Member says this Minister is stubborn, inflexible, refusing to co-operate, I ask you to consider this little Bill of 41 Sections, which has had 14 amendments, quite a few of which were put forward by the Opposition and accepted by us. The agriculture critic put those amendments before the Committee and we said they were good. The Hon. Member for Moose Jaw (Mr. Neil) is disagreeing with his official agriculture critic because the records show what the Hon. Member for Elgin said at that time. He more or less acted surprised that I did accept the amendments and so on; he went that far. He said I was being quite reasonable and responsible. Yet the Hon. Member says I am being irresponsible and stubborn.

I was chairman of the Agriculture Committee, Mr. Speaker, when it had 45 members. I ask the Hon. Member to look back and see how well it was run when it had 45 members. It was a well run committee. We got along with Members from all the Parties. When I said to the other Parliaments of the world that we had 45 members on the Agriculture Committee, they said

it was unbelievable, how did I make it work? The Hon. Member for Moose Jaw did recognize it worked and that there was a feeling of co-operation and a desire to do things to help agriculture in this country.

The Hon. Member says I am responsible in the last three years for this feeling disappearing. I say to him he must share the responsibility because Hon. Members opposite are the ones who politicized Canagrex. When it was brought into the House, the official Leader of the Opposition, who can sit in the House at the present time—he was House Leader at that time—said; "We welcome this legislation because it was thought up by the Hon. Member for Elgin". I believe he said something like that; I may be a little inaccurate. I see the Hon. Member for Elgin just about ready to jump up on a point of order. However, he did say "We welcome this legislation", and the verbiage was something like "Because it was ours". The records are there, Mr. Speaker, for you to see. I am sure some of my colleagues will put on the record later word for word what was said. I believe the Hon. Member for Kent (Mr. Bossy) put on the record the interview of the Hon. Member for Elgin when he was Minister of Agriculture, or before he was Minister of Agriculture, talking about Canagrex, about what he was going to do with it and how he was going to make it work. It is all in the records, Mr. Speaker. But I am the one who is supposed to be stubborn?

I find it confusing, Mr. Speaker, to see Hon. Members opposite changing their minds. I find it confusing when I hear the Hon. Member still talking from the back benches over there, and that is probably where he will talk from for years and years, from the back bench. He refuses to recognize that in his own Province of Alberta they have Crown corporations which have the power to buy and sell.

Mr. Taylor: We did not bring them in by closure.

Mr. Whelan: The Hon. Member calls that free enterprise. They have a banking system. They have an airline system. They own half of the land and they own pretty near all of the resources. He calls that the free enterprise system. The most socialized Province in Canada is Alberta.

Mr. Taylor: We did not bring them in by closure.

Mr. Whelan: Saskatchewan is like a little bitty chicken alongside of Alberta, as far as that goes. When the Hon. Member talks about free enterprise, let him look in his own House. He was partly responsible for that at one time in Alberta, perhaps not for everything that they did when he was in the Government of Alberta, but I studied some of these things and he never once tried to squash, according to the records I have seen, a Crown corporation in Alberta. He never once tried to do that kind of thing.

Mr. Taylor: We did not bring them in by closure.

Mr. Whelan: He let them grow while he was in Alberta. The Minister of Agriculture of Alberta has a Crown corporation which can buy and sell.

• (1140)

Mr. Taylor: On a point of order, the man is telling complete lies and he should know it.

Some Hon. Members: Oh, oh!

Mr. Cousineau: Withdraw!

Mr. Deputy Speaker: I am sure the Hon. Member is aware that he has used an unparliamentary term and I invite him to rephrase his remarks.

Mr. Taylor: What the Member has been saying is completely untrue. Completely untrue and he knows it. He does not know a thing about Alberta when he calls it socialism.

Mr. Whelan: I rise on a question of privilege, because the Hon. Member did not withdraw what he has said.

Mr. Deputy Speaker: The Hon. Member has withdrawn his remarks.

Mr. Whelan: No, he did not say he withdrew the remarks. He said it was completely untrue and I say what I said is true.

Mr. Deputy Speaker: In the judgment of the Chair the Hon. Member has reconstructed his remarks in such a way as to be parliamentary.

Hon. John Wise (Elgin): Mr. Speaker, I am sure the House would agree we have just witnessed another spectacle of ministerial misunderstanding and misinterpretation, a great deal of ministerial political mischief, and indeed ministerial garbage. There is certainly no question about that.

If you check the record, Mr. Speaker, you will find that for the eighteenth time this session this Government is using closure to stop debate on vitally important legislation. The Minister refers to it as time allocation; that is nonsense. It is just a play on words. There is no difference between time allocation and closure. It is closure on legislation in the case of Canagrex, which could have—and I emphasize "could have"—profoundly detrimental effects on the future of the Canadian agriculture industry.

I cannot understand the Minister's logic in pushing through this legislation at this time. If he were serious about the need for this new Crown corporation, then why did he not push it through two days after he moved the closure motion on December 16? Is it because he feels opposition to the Bill has died down? That is certainly not the case. My colleagues and I continue to receive large numbers of letters and telegrams of protest which point out the weaknesses but, more importantly, the dangers of this Bill.

These problems were pointed out in the Standing Committee on Agriculture where some 20 out of the 32 groups appearing before it opposed the Bill, specifically its broad and ill-defined buy and sell powers. Agricultural groups like the Western Barley Growers said:

—excessive power given to Canagrex worries us as it may be used as a tool for income transfer to various areas of the country.

The Alberta Canola Growers Association testified:

> Our organization disagrees with the need for a federal agency to act as a principal in the sale of agriculture products. We support an organization that has the role of an agent only.

The flax growers said of Canagrex's broad buy and sell powers that it—

> —presents a serious threat to the continued existence of privately or co-operatively owned businesses engaged in marketing our products.

The Palliser Wheat Growers indicated that the greatest impediment to more aggressive production and marketing programs for most prairie farm products is excessive Government regulation. These regulations, together with the associated Government bureaucracy, bear down on agriculture and interfere with the development of a strong production and marketing thrust. They say that they have seen no evidence that the trade is not well able to do an effective marketing job with those Canadian products produced at competitive world prices if the legislative environment permits that trade to function and function normally. The Alberta All Breeds Association said:

> The reality of Canagrex is that foreign Governments would have little incentive to transact business with anyone in Canada but Canagrex.

The Canadian Meat Council said:

> Our main concern with the Canagrex proposal is that it will interfere and detract from the successful accomplishments and/or duplicate existing achievements.

The western stockgrowers say that Government should legislate so that it supports the private sector and should never attempt to suppress or stifle the initiative of the businessman and the entrepreneur. The Canadian Cattlemen's Association said:

> We should walk before we run and not proceed with undue haste to create a structure that may be inappropriate to our needs. Canagrex may become a direct marketing agent in its own right and thus go far beyond the promotional, facilitating and support functions originally envisioned.

Let us travel to eastern Canada, I know the Minister of Veterans Affairs (Mr. Campbell) will be interested in what the Prince Edward Island Potato Marketing Board had to say about his colleague's Bill. They said:

> We are in agreement with the purposes of the Bill in so far as promoting and facilitating the export of seed and tablestock potatoes are concerned, but we emphatically disagree with Government agency becoming engaged in the export of Prince Edward Island seed or tablestock potatoes if "becoming engaged" includes buy and sell.

I can remember, Mr. Speaker, some time ago when this Bill was front and centre during farm meetings as one travelled across the country, having the opportunity to be in Prince Edward Island and to meet with some of these people. They told me very emphatically that there was some misinterpretation and misunderstanding with reference to what was really meant by the term "engage in". I remember their making it very clear to me that if that meant to buy and sell, then certainly to count them out. Even those agricultural organizations which testified in favour of Canagrex were concerned about the buy and sell powers. The Canadian Pork Council said:

> We believe that, unless the present marketing agencies are not responsive or not aggressive enough to apparent marketing opportunities, Canagrex should not be involved in commodity trading.

The Canadian Horticultural Council warned that any effort by Canagrex in international trade should not conflict with or work against the efforts presently underway by industry organizations. Even the Ontario Flue Cured Tobacco Marketing Board down in my part of the country, which has probably been one of the greatest supporters of the Canagrex legislation, testified that present exporters must be assured that the purpose of Canagrex is to assist, and that it will not in any way oppose or interfere with the present export activities being carried on by the Marketing Board. I challenge the Minister to stand here today and speak to that Board and the producers, as well as the Ontario Bean Producers Marketing Board and the Soy Bean Marketing Board in our part of the country, and give them an iron-clad commitment that indeed Canagrex, given the power it has, will not interfere. I challenge him to do that but I know he cannot respond.

The buy and sell powers of the legislation are too broad and ill-defined. In committee we also heard not the Department of Agriculture advisers, Mr. Speaker, but indeed the Department of Justice legal advisers admit that the legislation was loose and there was no definite commitment on the part of Canagrex to co-operate with or indeed receive approval from commodity groups and marketing boards in the selling of their product. They warned us of that.

In other words, the broad buy and sell powers of Canagrex could—and this is important to the producers and farmers in Ontario—if misused, usurp the powers of the provincial commodity marketing boards. Because Canagrex would want to be part of as many lucrative export deals as possible in order to be successful, which is a natural assumption, our traditional agricultural exporters could be cut off from marketing information available to their agents by Canagrex and other Government departments and agencies.

• (1150)

The Government brought forward an amendment in committee which would restrict Canagrex to buy and sell only in joint ventures and upon request. However, this restriction was then swept aside with the admission that a joint venture could be made with as few as one individual.

The Minister has stated that Canagrex would be a valuable tool to shore up Canadian commodity prices in the export market. However, the commodity prices would be forced down instead of up if Canagrex contracts were opened up for bidding. If they were not opened up for bidding, obviously one area of the country could be played off against the other. While I am not saying this would necessarily happen, there is that risk. As far as we are concerned, that risk cannot be taken.

I will not follow the Minister's example of taking everything that I hear and see as gospel truth, but in my travels across the country I have been told that the Minister has indicated that it would help to increase export prices because it could indeed be

subsidized. I do not believe the Minister even said that and he is shaking his head negatively. However that feeling is obviously out there across the country and has surfaced at at least a dozen meetings at which I have taken questions from the floor seeking to clarify this matter. It should definitely be clarified that Canagrex, even given the sweeping powers that it now has, does not have the power to subsidize a Canadian agricultural product in the export market.

The Minister has also said that Canagrex would only use its buy and sell powers in unusual or extraordinary circumstances. But the Minister already has these powers and spoke about them earlier this morning. I refer to the powers of the Agricultural Products Board. My colleagues and I believe that by having to go to Cabinet according to the terms of the Agricultural Products Board Act, that would certainly give some type of protection with reference to the business that could be transacted by the corporation.

The only protection presently offered to those organizations fearful of Canagrex' broad buy and sell powers is the Minister's word. While I can only speak for myself, a Minister's word is pretty small comfort to me. The Minister's word that the powers would only be used in unusual circumstances is not good enough for me. I am sure that it is not good enough for the majority of Canadian farmers in this country.

During his career, which is about to come to an end, the Minister has made many, many promises. Can the House remember the promises about cheap money for farmers? Does it remember the promises about the agri-bond concept? Does it remember the promise about capital gains legislation? Does it remember the promise about a stabilization program for beef farmers in this country? The list goes on and on. However, I want to deal specifically with this Bill and utilize my time to speak on behalf of the Canadian farmers, for whom the Minister indicated, very inappropriately and inaccurately, that we did not speak.

Canadian agriculture deserves more protection than the Minister's word. Our amendments to Clause 14 and related clauses of the Bill would have provided the protection that the Canadian agri-food industry needs. The Minister has discounted our concerns and the concerns of many farm groups across the country. He said that the adoption of four or five amendments by the committee should ease our concern. Certainly we appreciate the amendments that were accepted by the Government, but these were technical amendments, in essence, and not very substantive. One amendment dealt with a language change and he had no option but to accept our other amendment because it was simply a reminder that the amendment was necessary to make Canagrex compatible with Crown corporation legislation.

Let there be no doubt that the intent of our more substantive amendments dealt specifically with the removal of powers to buy and sell and engage in joint ventures. That is the thrust of our amendments and it is unfortunate that it required about 14 or 15 amendments. We cannot be blamed for that because we did not write the Bill. The Minister's advisers wrote the Bill and in our response to make certain that these powers were removed it was necessary for us not simply to introduce one amendment to Clause 14 but to introduce a number.

Despite the Minister's promises, Canagrex could become a power unto itself. The Auditor General does not offer sufficient protection against abuses by Canagrex. He only reports on the financial accountability of Crown corporations. He does not examine whether politics interfere or have influence on commercial dealings and decisions. As well, his reports can be ignored. For example, his report questioned the benefit to the Canadian taxpayers of Petro-Canada's purchase of Petrofina, and his inability to get sufficient information from Petro-Canada gives us some idea of the shortcomings of the powers of the Auditor General and his Department.

The need for Parliament to approve Canagrex' budget does not offer sufficient protection either. Parliament can certainly ask questions about it, but bearing in mind majority Governments, these budgets always receive approval in the end.

As well, the ability of Parliament to review corporate plans does not offer sufficient protection. Canadair had a corporate plan and it cost the Canadian taxpayer some $1.5 billion. The five-year review also does not offer sufficient protection against Canagrex abuses. The review is simply that; it is a parliamentary review. It is not a sunset clause. I know that my colleague from Moose Jaw (Mr. Neil) had very vigorously pursued the opportunity to implement a real sunset clause. Of course, it was denied.

Some farm groups have urged that the board of directors of Canagrex include a majority of producers in order to protect their interests. However, there is nothing in the Bill which requires this. Instead, the board will be appointed at the discretion of Cabinet and it would therefore not be too surprising to think that political contracts rather than agricultural knowledge would be involved in the selection.

In this respect it is rather interesting to recall that the Minister is always standing in the House and on public platforms across the country saying that various organizations support him. He says that a majority of producers support him. That is nonsense. He is inaccurate. I have heard him stand in the House on a number of occasions to say that he has the complete support of the largest farm organization in Canada, meaning the Canadian Federation of Agriculture. That is not absolutely true. The fact is that the position of the Canadian Federation of Agriculture is that they are supportive of this legislation but they place a condition upon it. That condition is that the majority of the people on the board of directors be producers. Again, the Minister of Agriculture cannot stand in the House and give us that commitment. When it comes to the bottom line, he obviously does not have the complete and full support of the largest farm organization in the country, the Canadian Federation of Agriculture.

I am sure that the greatest disservice the Minister has imposed on the Canadian agricultural industry could be Canagrex. In the first clause of the Bill he has imposed the unpopular and potentially disastrous buy and sell powers. It is my opinion and indeed that of those farm organizations which particularly have had some considerable experience in the

export of agricultural products in the export market that the most important part of the Bill is the need for export credits and insurance. That is what the Canadian agricultural industry needs. That is what the Canadian agricultural organizations need. They do not need the buy and sell powers; they need export credits and export insurance. That is the guts of the Bill.

Some Hon. Members: Hear, hear!

• (1200)

Mr. Wise: Mr. Speaker, I want to conclude by saying that the buy and sell powers are not needed. The agricultural groups did not urge and have not been urging—those people have been somewhat supportive—the passage of this Bill because of the buy and sell powers, not at all. They have been urging the support of this Bill on the basis of the need for export credits and insurance.

The Minister has said that the Canadian agricultural exporters have not been doing an effective job. He has claimed they have missed too many opportunities. I am going to be very honest with you, Mr. Speaker. I had some mixed feelings about the job that some of our Canadian exporters were doing; but after having provided them an opportunity to come before the committee and to hear some of the evidence and to see some of the results of some of the private exporters and some of the agricultural organizations, particularly those in western Canada, I certainly had no doubts in my mind, when I saw the results, that many of the private organizations were doing an excellent job. They could have been doing a better job, I am sure, if they had been provided the export credits and the export insurance. That is what is needed.

We do not need a Government buying and selling through a Crown corporation. We do not need this Government agency interfering with the marketplace. The Liberal Government has abundantly and clearly shown in the oil industry that it is not able to do better than, or even do a comparable job to, the private sector; yet the Minister refused to consider these arguments. They were made by all members on the committee. They were made by the majority of farm organizations which appeared before the committee.

What is the purpose of bringing witnesses before the standing committee? In my opinion and in our Party's opinion, I am certain the purpose is to talk to the people working in this specific area day in and day out. Those are the people who really know what is going on, not the Minister of Agriculture (Mr. Whelan) or the agricultural critic. The committee provides an excellent opportunity to get up-to-date, accurate information on what is going on in the international field. We have done that. We got the message loud and clear; there is no question about that at all. The message almost without exception was that we did not need the buy and sell powers in Canagrex.

I stand to be corrected because this was a long time ago, but I do recall that the Canadian Cattlemen's Association, if they had had a choice, probably would have opted not to have this legislation at all. The second organization—and the Minister brags and boasts about having the largest organization supporting this Bill, which is nonsense and garbage—is the Consumers Association of Canada. That is the largest lobby organization there is in this country. The Consumers Association represents 300,000 farmers and 24 million people. That was the largest organization which made a presentation to us in committee. This organization would have preferred to have Canagrex killed and not to have surfaced at all.

What did the Minister do? He completely ignored this accurate, up-to-date information. Instead he launched and spent several thousand dollars in the preparation of a publication called "Canagrex-Responding to the Need". He tried to make the claim that he speaks on behalf of Canadian agriculture. That is absolute nonsense. He has completely ignored the input we received in committee. We did not ignore it. We got the message loud and clear. I had some doubts about how effective this corporation could be. There is no question that it is going to become a reality. The Liberals have a majority and they can do what they want.

Mr. Epp: And the Minister is.

Mr. Wise: And the Minister is doing what he wants, as my colleague from Provencher (Mr. Epp) accurately responds. We got the message. People do not want the powers of buy and sell.

Let me get back to Canagrex responding to the need. This is another example of wasteful Liberal Government spending, the spending of several thousands of dollars of taxpayers' money. In the eyes of this publication Canagrex has no problems. It is that little piece of legislation containing some 40 pages. Canagrex is equated with the salvation of agricultural products exporters. Just talk to the agricultural products exporters and see if they look upon Canagrex as being the salvation of their industry, Mr. Speaker. It even contains two—probably the only two—editorials which have appeared in support of Canagrex. I questioned the Minister through Order Paper Question No. 4,529 as to why the publication did not include any of the more than 20 editorials which had appeared at that time condemning Canagrex. The Minister responded that such editorials could not be found. He responded that none could be found.

I question the accuracy of that response. If this marks the level of his research—and I have a higher regard for his research than that—then I can understand why his cabinet colleagues do not take him seriously and why they have tried to suppress many of his initiatives.

In order to help the Minister, I would like to point out to him some of the editorials which, indeed, have been missed. Does the Minister or his officials not monitor the Saskatoon *Star-Phoenix*? It covers a wide agricultural area. On June 8, 1982, the Saskatoon *Star-Phoenix* in an editorial wrote:

> Given the breadth of opposition it's difficult to imagine who, outside of Whelan and his bureaucrats, supports the proposal.

There, Mr. Minister, is an editorial that appeared in the *Star-Phoenix* June 8, 1982. It is interesting to note that on

July 6, 1982 someone by the name of Eugene Whelan wrote a response to this editorial indicating it was wrong.

An Hon. Member: Eugene who?

Mr. Wise: Eugene Whelan.

Mr. Kempling: Who is he?

Mr. Wise: The Minister should be concerned about someone using his name since this is one of the editorials which he claimed he had not found.

Some Hon. Members: Oh, oh!

In an editorial in the *Edmonton Journal* on June 4, 1982, we read:

> Given the current mistrust of state management, and of the long term plans of Ottawa bureaucrats, perhaps the correct response is to confine Canagrex to export promotion. It should prove itself capable of walking before it runs.

I could not agree more with that editorial from the *Edmonton Journal*.

An Hon. Member: Did Eugene Whelan write that?

Mr. Wise: I do not think the Minister wrote that editorial, Mr. Speaker.

The Minister could have missed those editorials written in the larger urban newspaper, but surely the Minister would have read the editorial of May, 1982 that appeared in the *Country Guide*. It reads:

> Once again Eugene Whelan has been unable to distinguish between the important and the totally insignificant. After 10 years the farm community has become accustomed to this, one can but hope, however, that cooler heads prevail and Canagrex is killed before it multiplies.

Some Hon. Members: Hear, hear!

Mr. Wise: I am sure the Minister would not have missed the editorial in *Agriweek* which appeared in May, 1983. It reads:

> Mr. Whelan's eagerness to establish still another bureaucracy has outdistanced any effort to diagnose the real cause of our sputtering food exports. As a result, he has developed a sizeable multi-faceted organization without first defining precisely the problems to be solved. In his zeal to do something, Mr. Whelan has devised a plan based on good intentions and motherhood statements and one that reveals an astounding lack of rigorous thinking.

• (1210)

In the July editorial that appeared in *Food Canada* last year, it was indicated that Bill C-85 was too loosely written and too open-ended. Also it indicated that the restraints on such a federal corporation, if it must exist, should be spelled out in clear terms; otherwise Canagrex could indeed become "Canagarbage".

These are only a few editorials that appeared prior to the end of August, 1982, the date of the last editorial in the publication "Canagrex responding to the need". I am not surprised they were not included in the publication. However, I am amazed that the Minister would have the arrogance to say that he never saw any of the opposing editorials. Has he seen or read any of the more than 100 editorials and articles which condemned Canagrex? I am sure he has. If not, I would be very happy to send the Minister copies of them. I think it is important to indicate that even papers which originally—

Mr. Whelan: Some editorial writers do not know anything about agriculture.

Mr. Wise: The Minister says that some papers do not know anything about agriculture. I would disagree, but I would also be inclined to agree that many of them do, and a lot of them come from large urban areas. I would not like to make the statement the Minister made, that most farm papers do not know much about agriculture.

Mr. Whelan: I said "editorial writers".

Mr. Wise: Even papers which originally endorsed Canagrex have had second thoughts. Not only newspapers and farm papers but many farmers and farm organizations, not knowing much about it, were originally impressed with the efforts of the Government to establish a greater priority in the export of agricultural products. Everybody supports that. We support that. There is no question about that. There are many ways in which this can be done. Many farmers and their organizations support the facilitating aspect of Canagrex. My Party and I support that, there is no question about it. Many farmers and agricultural organizations support the need for export credits and export insurance.

There is no question about the fact that there is such a need out there. I support that, we support that, but it comes down to the bottom line. Some of us have doubts about the buy and sell powers. There is no question about that either. After going through committee and obtaining the information and the feelings of individuals in farm organizations, there should be no question about the message out there. They support the things about which I talked earlier. There is no question about the fact that they do not support it, including the Canadian Federation of Agriculture which placed a condition on it. Even farm papers which originally endorsed Canagrex have had second thoughts. There is a prime example. Originally *Farm and Country* endorsed Canagrex, although it recommended that it should be subject to a sunset clause or a sunset law. That was the position of *Farm and Country* at the beginning of this debate. In the interval they have had an opportunity, the same opportunity as my colleagues and I and the same opportunity as the Minister and his colleagues, to hear credible witnesses, people who are in the business, make their pitch and presentation. There should be no question about that whatsoever. Any thinking person, any person with respect for information supplied by people who know what they are talking about, should take the same position we have or the same position which *Farm and Country* took on January 18, 1983, at which time its editorial called upon the Minister to compromise on the buy and sell powers. After having an opportunity to look at the Bill, *Farm and Country* indicated that the Minister should compromise on the buy and sell powers.

Another excellent recommendation in that editorial was the suggestion that these powers should be hoisted for five years so that Canagrex could prove its worth as a promoter and

facilitator. If it could prove its worth, if it could be demonstrated at the time of the parliamentary review that it needed the power to buy and sell, we would have been in a very difficult position to deny the Minister. But again the Minister ignored that common sense advice.

A short time ago I read a rural magazine wherein the Essex Federation of Agriculture asked an independent lawyer to look at the Bill.

Mr. Whelan: A good lawyer but a good Conservative too.

Mr. Wise: If he is a good Conservative, that makes his advice more valid.

Some Hon. Members: Hear, hear!

Mr. Wise: I do not have the article in front of me, but the solicitor from Windsor spoke to the Essex County Federation of Agriculture and put forth the same cautions which we are putting forth today. In fact, coming from St. Thomas, an old railroad city, the solicitor recommended that the farmers of the country should take a little railroad advice. I know what he meant by that. It was a little stop, look and listen. The Minister would do well if he followed the advice we have attempted to give him over the last two years. He would do well if he followed the advice of the legal advisers of the Department of Justice. He would do well if he followed the advice of most agricultural organizations in the country. He would do well if he followed the advice of a solicitor from his own home town.

I recognize that my time is unlimited, but I wanted to use this opportunity to make our position very clear once again. I am certain that our position is very clear across the country; there is no question about that. Hon. Members on this side of the House have put a great deal of energy and effort into trying to inform farm groups in all regions of the country exactly what are the dangers of the Bill. They have done an excellent job. From reading the mail I continue to receive on a daily basis, there is no question in my mind that farmers and people in the agri-food industry know the dangers of the Bill.

I am extremely disappointed that the Minister has not taken that advice. He has represented the farm community since 1972. That is a long time. It is a very sad day for me, particularly when the message is so clear and he turns his back on the people he represents. If he would have removed the powers to buy and sell, indeed if he would have taken that position from the beginning, we would not be debating the Bill today. I am certain that with the removal of the powers to buy and sell and to engage in joint ventures, we would not be debating the Bill today. I am certain that it would be in place. In doing so, no doubt we would have been farther down the road in providing something which the Canadian agri-food industry needs to increase the exportation of agricultural commodities.

Some Hon. Members: Hear, hear!

Mr. Whelan: Mr. Speaker, I want to ask the Hon. Member for Elgin (Mr. Wise) several questions. In 1979 he was interviewed by a newspaper which has some good farm reporting, the London *Free Press*, at which time he was asked what the top priority of his department would be. He replied:

• (1220)

Agriculture exports will be my top priority. It is a springboard from which we can with planning and effort continue to expand our export market opportunities. One tool that will be used to increase exports is the recently announced agriculture export corporation which will sell Canadian foodstuffs abroad.

That is a very good paper. I have several other questions; I will put them as quickly as I can. Members opposite continue to say that the Minister will pit one area of Canada against the other and possibly give special privileges to them by working with Canagrex. Has he considered what Alberta is doing at the present time with subsidies to the canola crushers? Also, there is a $9 a ton freight subsidy. I am sure the Hon. Member is aware that Saskatchewan and Manitoba have made representations to the federal Government asking for the same kind of assistance. They cannot afford that kind of assistance which amounts to almost $49 a ton when you add it all up. That is the assistance they are getting for those products. They are not just for export. This gives them a tremendous advantage over the other canola crushers and producers in other regions. Does he not consider that preferred action? That is Government action.

Does the Hon. Member not know what Tony Saretsky said inthe Agriculture Committee with regard to the Alberta Cattle Commission? I believe it is purebred cattle they deal in, the Canadian Breeders' Association. He said they had to have the operative power to buy and sell and they went back and got the power to buy and sell. The Canadian Federation of Agriculture is like Parliament or any other organization. It is a democratic organization. When the majority make a decision to support Canagrex or any other proposition that is put before them, that is democracy in action. Overall they represent about 200,000 people. It is true that some of their members are saying that they have certain reservations about Canagrex and this type of thing.

He challenged me to appear before other boards such as the soybean board, the white bean board, the tobacco board and my own county Federation of Agriculture. I have met them. They still are very strong supporters of Canagrex. I also met with the Canada Pork Council which is still supporting Canagrex and the authority that it has to buy and sell, et cetera.

Also he spoke about my county. I have addressed my own county Federation of Agriculture. He also spoke of a lawyer. Does he realize that when he was a student in law school we were commercial operators picking sweet corn for Green Giant? Therefore we know one another very well.

Does he also realize that the Essex County Federation of Agriculture withdrew their concerns after I addressed them? They said that was satisfactory to them as long as their Member of Parliament and Minister stated it. Is he aware of that? Is he aware that the lawyer he spoke of has been a long-time friend? In a democracy, even friends can disagree.

Mr. Wise: Mr. Speaker, the Minister began by reading, I think very accurately, a response to a comment that I had made to the report in the London *Free Press*. The accuracy of that report is right on. It is complete. There is no question about the fact that, when I assumed the job as Minister of Agriculture of this country, there was a very definite attempt and thrust to improve agricultural products in the export market.

There were a number of ways to do this. The first way was to give that subject a higher priority in the Department of Agriculture. We began to do that. The other way was to place greater authority and jurisdiction within the Department of Agriculture itself. The Minister knows that if you are dealing in the export market, you are not only dealing with Ag-Canada, you are dealing with Industry, Trade and Commerce, Finance and External Affairs. This becomes pretty cumbersome. You can certainly streamline this and provide greater results for Canadian agriculture if you have more of a consolidation and more of the decision making within Ag-Canada. That is one way. We were working toward that. The Minister cannot deny that; he knows it.

The second way in which we began to move was to increase the number of trade commissioners and trade officers in our embassies around the world. It is very difficult to get these people, no question about it. However, in the very brief time we did hold office we increased the number of trade commissioners and trade officers in our trade offices specifically and totally responsible for the promotion of agriculture products in foreign markets. We did achieve that.

Now, Mr. Speaker, this is where the confusion comes in. I did not deal with this in my speech because I was certain someone would ask a question about it. I refer to the area of a special agency or corporation; at that point we really did not know. Certainly a great deal of effort was made within the Department. A couple of submissions were made with respect to the establishment of an agriculture products export agency, call it what you want.

The Minister and indeed some of my colleagues in the New Democratic Party have been attempting to associate me with Canagrex as it is today. That is false. It is not true. I had never heard of "Canagrex". I did not put the name Canagrex on this Bill and the Minister knows it. The Minister can either take the credit or bear the responsibility, depending on what the future holds, for the word Canagrex and the Crown corporation Canagrex. He knows that. There is no doubt about the fact that we were working in that area. We knew that Canadian agriculture had to have an agency or some type of unit which would provide the much needed export credit which had always been denied to agricultural commodities by the Export Development Corporation. Canadian farmers do not have the benefit of the Export Development Corporation. It does not insure for food products and they also needed the benefit of export insurance.

We had no problems with that whatsoever. We were coming to the conclusion that it appeared that in an effort to provide those export credits and export insurance coverage, we could not do it within a division of Ag-Canada. It was doubtful whether we could do it at an agency level. It appeared that we would probably need a Crown corporation to provide the export credit and the export insurance.

I cannot say any more than that. The Minister knows that for me to say more would be breaking a Privy Council oath. I want him to nod positively to me now that he knows that.

Mr. Whelan: I was not referring to Privy Council.

Mr. Wise: This is important. The Minister has played political mischief with this question, as have some of my colleagues in the NDP. I am not going to go any further than that, but I will tell you one thing Mr. Speaker. Even if we had brought in Bill C-85 in its present form, even if I would have called it Canagrex, after hearing 32 witnesses before the committee and getting the telegrams, telephone calls and representations which I and other Members of my Party have received, if I sat over there I would have withdrawn months ago the power to buy and sell. I challenge him, dammit, to do the same thing.

Some Hon. Members: Hear, hear!

• (1230)

Mr. Deputy Speaker: The time for questions and answers has expired but may be continued with the unanimous consent of the House. Is there unanimous consent to extend the time for questions and answers?

Some Hon. Members: Agreed.

Mr. Whelan: Mr. speaker, the Hon. Member for Elgin put a challenge to me and I acknowledge what he said about his oath of office as a Privy Councillor. That is fact. For instance, in *The Western Producer* of June 14, 1979—

Mr. Wise: Answer the question.

Mr. Whelan: I never used the word "Canagrex" today when talking about what the Hon. Member said and when I asked him the question. I said that he said it would expand our export market opportunities. As reported by the London *Free Press*:

> Wise has said one tool that will be used to increase export is the recently announced agricultural export corp.—

I did not use the word "Canagrex".

> —which will sell Canadian food products abroad.

On June 14, 1979, it was reported:

> The Progressive Conservative party compaigned on a pledge to concentrate on expanding markets for Canadian agricultural products and Wise says he wants to act quickly to complete efforts stated by former minister Eugene Whelan to establish an export marketing body for agriculture.

The Western Producer is one of the most widely read magazines in the farmer community.

If I were a farmer, I would not think that there was much difference of opinion between the Hon. Member for Elgin and myself at that stage of the game. That is what I would think if

I was a farmer who read the most widely read magazine in the farming community.

The Hon. Member for Elgin also had some reservations. As reported by *The Western Producer*:

> Although Wise says his final decisions on these issues will have to await further briefings, his initial opinions put him in conflict with significant segments of the agriculture community.

That statement was presented to me. The Hon. Member made all kinds of statements and some of them have been put on the record. But when he says that he challenges me after having listened to the witnesses, I challenge him to serve the public, Mr. Speaker, as well as I have and as honestly as I have. How he interprets the witnesses who appeared before the committee in his opinion and how I interpret them is my opinion, and we have the right to our own opinions. I interpreted the results of the committee as being that the majority of people who appeared before that committee want the Canadian agricultural export corporation. Research done by my own officials, letters I have received, many of which I have not even made public, lead me to make that kind of judgment. I say, Mr. Speaker, that the majority of the agriculture producers in Canada want the Canadian agricultural export corporation. The Hon. Member has a different opinion. That is his right.

Again, I must refer to what the Hon. Member for Elgin said in committee: "You have been responsible, you have responded to our requests. It is on the records. I think I can sell this to my caucus." Then he could not sell it to his caucus. What was I to think? He said this after all of the witnesses had appeared before the committee in the final submission to the committee before its results went back to the House of Commons. What was I to think when the official agriculture critic of the Opposition said that at that time? That was before the matter had become politicized.

The brother-in-law of the Hon. Member sitting right across from me, the Hon. Member for Provencher (Mr. Epp), who is a potato producer in Manitoba, is a strong supporter of Canagrex in Manitoba. He knows the Canadian agriculture industry.

Mr. Epp: Mr. Speaker, I rise on a point of order. The Minister of Agriculture (Mr. Whelan) and I have had conversations about family members who are very dear to me. I do not think that the House of Commons is the place to raise these conversations. I say to the Hon. Minister that he knows very well that my brother-in-law agrees with some parts of Canagrex but has advised him to withdraw others. I would ask the Minister to be honest.

Mr. Whelan: Mr. Speaker, the Hon. Member's brother-in-law and I differ on politics, but we certainly agree on what should be done for agriculture. He has sent me letters and has made public speeches in favour of Canagrex. If he has any reservations that are contrary to my views, I am not aware of them. Any reservations that the Hon. Member's brother-in-law has have not been presented to me. I still respect the Hon. Member's brother-in-law. If he feels that I have offended him, I withdraw anything that would be offensive.

Mr. Bossy: Mr. Speaker, I reluctantly put a question to the Hon. Member for Elgin (Mr. Wise) whom I have respected for many years. I find it strange that he did not once mention the news release of the Ontario Federation of Agriculture. I would like to ask the Hon. Member whether he questions the sincerity, integrity and credibility of the President of the Ontario Federation of Agriculture when the President states in a press release of November 10, 1982:

> "Our agricultural industry desperately needs a corporation like Canagrex. It would be criminal to delay putting it in place because of petty politicking,"—

The new release goes on to say:

> Barrie stressed that the powers which would be granted to Canagrex are "not extraordinary', and rather than posing a threat to free enterprise, it would be most beneficial to smaller agricultural producer groups, which normally wouldn't be able to crack export markets.
>
> "Canagrex is absolutely essential if we are to fill the gaping void between our potential to produce and manufacture agricultural products for export, and our present performance,"—

This statement was made by the President of the Ontario Federation of Agriculture, a strong federation, and backs up the strong pleas made by the Canadian Federation of Agriculture, and agricultural federation in Quebec and the National Farmers' Union. These are groups with strong memberships that represent farmers.

I must also ask the Hon. Member if, after having seen the embassy problem, the Petro-Canada problem and the Canagrex problem, this is a turnaround from what was stated in 1979 and what is being stated now, and whether the Opposition does not really know whether it is right to form a Canadian export corporation, as they have been very doubtful on many other things that they might have done.

Mr. Wise: Mr. Speaker, the Hon. Member for Kent (Mr. Bossy) asked a number of questions. He did refer to a long-time friend of mine, Ralph Barrie, the President of the Ontario Federation of Agriculture. I am not so sure who wrote that press release, but I think using the word "criminal" is using a little bit of overkil! and is overexaggeration. I am not so sure whether my friend Ralph Barrie would have used that word.

There is no question about the fact that the Ontario Federation of Agriculture led by Mr. Barrie has every right to put forth its views and opinions and its stand on Canagrex. I know what its position is; but on the other hand, looking at the position taken by the Canadian Federation of Agriculture, it can be seen that it is supportive of Canagrex but has attached a condition that the Minister cannot comply with. I have challenged the Minister and have invited him to make that commitment to the CFA. He cannot do that. He has had a number of opportunities to do that. He has had a year and a half to do that. Is the Minister asking me to turn my back on nine Provinces and to follow the advice of the Ontario Federation of Agriculture? Is he asking me to turn my back on 28 major national farm organizations plus all of the provincial Governments and turn instead to the Ontario Federation of Agriculture? I cannot do that.

I have talked to my constitutents in Elgin, some whom are supportive of Canagrex. Of course, all of them would feel

better if it did not have the power to buy and sell. I have talked to constituents of my colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald). I know of one lady, Mrs. Pyke, I believe it is, in that constituency who is very supportive of Canagrex. She would feel better if—

An Hon. Member: Just one?

Mr. Wise: Well, there are not many but I know that the Member for Kingston and the Islands does have one constituent who is in favour of it. There is no question about that. Even if I were to stand on my farm in Elgin County, Ontario, with a neighbour who is probably more supportive of Canagrex, as the agriculture critic for this Party and looking at the situation from an Ottawa point of view, I could not turn my back on all this opposition to Canagrex. I could not do that even though I may have a neighbour in southern Ontario who is supportive of it. That would be irresponsible. This is basically the same thing.

• (1240)

From a national point of view one has to listen to the advice not only from Ontario but from eastern and western Canada. I know that advice is mixed, Mr. Speaker. Then you have to decide. I have done that and I have decided in a responsible manner that the proper course of action would be to proceed without the power to buy and sell.

Personally I think the editorial in *Farm and Country* summed it up—give the power to buy and sell a five-month hoist, come back to Parliament in five years and if you can demonstrate you need it, that is the time to get it. But you must prove that you need the power to buy and sell.

We would not want to hamper in any way, shape or form any measure that would interfere with the process of expanding agricultural products in the export field.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I want to say a few words on third reading about the importance of the Bill before the House and the importance of agriculture to our economy.

When I look at the trade performance of Canada around the world, I see that in essence the trade missions of this country primarily push manufactured goods and resource products in foreign markets. The Canadian Manufacturers' Association and the resource associations of our country are very strong lobbyists and have connections with different associations around the world to push their products. I think it is therefore very important that Canadian farmers have an export agency that will push our agricultural products in the world. That exists for some commodities already. In general, the Canadian Wheat Board has been effective in selling our wheat.

I do not understand why the Conservative Party and some other people in the country are apprehensive about giving other farmers the same kind of opportunities that our grain farmers have to sell their products abroad. The legislation before the House today is voluntary; if certain producers do not like the legislation, they need not participate. If they want to sell their tomatoes or cucumbers in a different way, they can do so. They do not have to participate in Canagrex as it is not a compulsory organization.

After five years the legislation will be reviewed by Parliament and could easily be changed at that time. For those reasons I think we should give the legislation a fair chance.

At the same time, however, I wish the Minister would change a number of things in the Bill. For example, I wish he would allow the farmers of Canada to control and direct Canagrex. This point has been mentioned by the CFA. I wish he would make sure that the farmers of Canada will decide who will sit on the board of directors so that they can run the agency rather than a few bureaucrats in Ottawa doing so. They are often isolated from the reality of the real world. Perhaps that is a radical idea; perhaps it is economic democracy. It is an extension of political democracy into the economic field but I think we must go in that direction. I wish the Minister would agree.

I am afraid he is going to do what so often happens when the federal Government makes appointments to Crown corporations. A lot of old and dear friends are rewarded by being made directors. That is not the direction we want for Canagrex.

I hope the new agency will be successful. Agriculture is so important to everyone in the country.

[*Translation*]

These are difficult times, not only for Canada but for the whole world, from the economic point of view. We are now experiencing a world-wide recession, and not only that, we also have a lot of unemployment. Here in Canada, agriculture is one of our strongest sectors. Our producers are very good at what they do, very productive, and they need help in seeking international markets for their products. In the House today, we are considering a Bill that will provide that assistance. Mr. Speaker, our producers are faced with a great many problems. The United States and—

[*English*]

—the European Common Market and some other countries in the world are very protectionist about their farmers. The United States has a massive subsidy program of over $12 billion per year to support agricultural production in that country. The Europeans have a tremendous system of price support, price guarantees and subsidies for their farmers. Our grain farmers face tremendous disadvantages because of distance from ports and because other countries pay even more massive subsidies to their grain farmers than we do with the Crow rate.

We need an export agency that will find new markets for our agricultural products. I believe that is very, very important. This legislation will offer the country an opportunity to diversify in agriculture and to take some of the smaller, specialty crops that do not have much clout on the international market and find markets for them. The agency can be the vehicle that will allow the small to participate, allow the small to find a market, allow the small to grow and expand. That is

very, very important. This legislation will offer an opportunity to encourage exports.

The other point is that Canagrex is not a very big agency, Mr. Speaker. If I understand correctly, the budget is $4 million per year for the next three years, so it is not going to be a large agency.

Those are some of the reasons I think it is important that Canagrex be given an opportunity. I have also been looking at who is supporting and who is opposing Canagrex. The principle is supported by the Canadian Federation of Agriculture and many of the provincial Federations of Agriculture. The Hon. Member for Elgin (Mr. Wise) mentioned that the Ontario Federation of Agriculture supports it and most provincial marketing boards also support it, as does the National Farmers Union. It is opposed by some of the more reactionary, right-wing and conservative farm organizations, such as the Palliser Wheat Growers Association and organizations of that kind.

In my riding I know that people support orderly marketing and they support the Canadian Wheat Board as being an aggressive sales agency for farmers in world markets. Most farmers want that kind of opportunity for other commodities. I repeat, Mr. Speaker, the agency is a voluntary one.

The other point is that the Standing Committee on Agriculture was persuaded to accept an amendment by the Hon. Member for Prince Albert (Mr. Hovdebo) to the effect that the Auditor General may do a comprehensive audit at any time he or she wishes. This will make Canagrex one of the most accountable Crown corporations we have in this country.

• (1250)

I believe, Mr. Speaker, that is very important because something which dismays me as an Hon. Member of this House, having been here since 1968, is that I find that federal Crown corporations in the main are not accountable to Members of Parliament. In the main, federal Crown corporations are agencies which look after themselves, which are accountable to a certain Minister or to the federal Government, and I believe that has to change. I feel that to have true parliamentary democracy Crown corporations must be accountable to this institution, to this place.

In my own Province of Saskatchewan, for example, for many, many years now we have had what is called a Crown corporations committee, a committee established by the then Premier, Tommy Douglas, in the CCF Government back in the 1940s or early 1950s. All of the annual reports of the Crown corporations must go to the Crown corporations committee. That committee has the power to call in the presidents of the Crown corporations, and other people from the Crown corporations, and grill them, cross-examine them, and quiz them on what their plans are for the future and how they have handled their work in the years which have gone by.

I feel, Mr. Speaker, that is something which this House should be doing as well, making sure that our Crown corporations are much more accountable in the future than they have been in the past. Perhaps in this piece of legislation we have taken one small step in that direction.

Something which I have already mentioned is that I believe farmers themselves should be on the board of directors. I believe that farmers themselves should choose the people who go on the board of directors of Canagrex. I believe that is very important in terms of understanding the agricultural industry. It is very important in terms of doing what the farmers of this country really want.

I feel, therefore, Mr. Speaker, with a number of reservations, that the legislation before the House is something which should, if properly administered and given a proper chance, be something positive for a lot of the small producers, something positive for a lot of producers who are producing some of the specialty crops in this country. I stress that if they do not like it, they can get out of it. It is voluntary and after five years the House of Commons will once again have an opportunity to review the legislation.

However, I feel it is very important that we give agriculture as much assistance as possible. For too long in this country, government after government has been placing its priorities, its money and its assistance in the baskets of the large company, the large manufacturers, the large resource companies, in the hope this would create a strong and vibrant Canadian economy. That has not happened. One of the sectors which has been very strong throughout all of this has been agriculture and I feel we are going to have to give them more and more assistance. The Economic Development Corporation, for example, does not assist agriculture. It assists the manufacturers. It assists the big in this country. There are many other Crown corporations such as the Canadian Commercial Corporation which will assist manufacturing, processing and resources in this country, but once again will not assist Canadian agriculture.

Therefore, Mr. Speaker, I appeal to the House to give this legislation a chance. I appeal to the Minister to be a lot more generous in terms of accepting amendments which Canadian farmers want, to democratize Canagrex, and to keep Canagrex as an agency which is more in touch with the ordinary Canadian producers. I believe that if he does that and is a little more co-operative, then perhaps this is an experiment which can work for each and every one of us.

[*Translation*]

This might be a very good thing, not only for our producers across Canada but also for the entire country, in years to come.

[*English*]

Mr. Whelan: Mr. Speaker, is the Hon. Member for Yorkton-Melville (Mr. Nystrom) aware that the Hon. Member for Elgin, when he was questioned about whether farmers would constitute the majority of the members on the board, expressed strong reservations, and said he thought perhaps it should be people who are in the export business, are knowledgeable in the export business, and so on?

Mr. Nystrom: Mr. Speaker, I was not aware of that. First of all, I certainly disagree with the Hon. Member for Elgin. I believe farmers should be running this agency. Farmers know best. I believe farmers have a lot of expertise when it comes to the export business. I must say that I am not surprised. We have had a history of Government in this country, whether Liberal or Conservative, where bureaucrats or people from private industry, people with big bucks, have attempted to control Crown corporations and all kinds of Government agencies. When the Hon. Member makes that kind of statement it is not a surprise at all to me, Mr. Speaker.

However, I feel we must now go in the other direction.We must move towards really democratizing this country, making sure that ordinary workers, farmers and consumers, ordinary people, will be able to make important economic decisions in Canada. I believe for all too long we have tended to think that the important ecnomic decisions should be made by people who have the big bucks. If you are wealthy, if you are the president of a company, all of a sudden you have tremendous credibility. Company presidents and others in this country who have alot of money, Mr. Speaker, the extreme rich and the privileged of this country, have over the years made many, many mistakes. I would trust the farmers and the ordinary workers a lot more than I would trust the corporate elite in this country. Perhaps in the next few years we will recognize that people with certain experience in the big business community are not the best thing for the ordinary citizens of Canada.

Mr. Wise: Mr. Speaker, I really rise on a point of order rather than to pose a question to my colleague, the Hon. Member for Yorkton-Melville (Mr. Nystrom), because I believe he was somewhat misled. I was having a discussion with the Parliamentary Secretary to the Minister in an effort to reach some type of agreement in the reduction in time required for speakers and enable us to get more people on. I thought I heard the Minister quote an article where I said I did not want farmers on the board. That, of course, is very inaccurate. It is untrue. I said that the best thing that we could do is to make certain that on the board are those people who were the most qualified to serve on that board in the export field. So much the better if we can get those kinds of people from the farm industry. That is to say, I believe the best route to go is that the people who serve on that board should be the people most qualified to do so. There was certainly nothing in my thoughts that farmers should not be on that board. The Minister knows that.

Mr. Whelan: Speaking to the point of order, Mr. Speaker, I will send the Hon. Member the document where he was quoted. I am quoting from a document which says he does not agree with the former Government's proposal that the export agency be controlled by farmer members of the board. "He said his priority will be to have salesmen and marketing specialists on the board and any qualification as a producer will be secondary. This will run counter to the strong view of the Canadian Federatioan of Agriculture which resisted the initial proposal for an export agency until it has a commitment from Mr. Whelan that a majority of members would be farmers." I am quoting.

Mr. Wise: On a point of order, Mr. Speaker, I do not know what document the Minister is quoting from, but I think perhaps it would be a good idea if he would send it across to me and I could determine its accuracy.

[*Translation*]

Mr. Dionne (Chicoutimi): Mr. Speaker, may I call it one o'clock?

Mr. Deputy Speaker: Order, please. It being one o'clock, I do now leave the Chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MARTIN BRIAN MULRONEY, LEADER OF PROGRESSIVE CONSERVATIVE PARTY

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker—

Some Hon. Members: Hear, hear!

Mr. Nielsen: Madam Speaker, I rise on the most legitimate question of privilege that the Chair will ever be privileged to hear. This is to introduce in the gallery the new Leader of the Progressive Conservative Party, Brian Mulroney, the next Prime Minister of Canada!

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. André Maltais (Manicouagan): Madam Speaker, unlike the Premier of Quebec who was again being critical of one of our Members yesterday when he said that he was not a good Quebecer, I would like to extend, on behalf of the people of the North Shore, Baie Comeau, Sept-Îles and Schefferville my sincere congratulations to Mr. Mulroney and his family. I think he is a person of whom the North Shore can be proud, and what is good for the North Shore is, I believe, good for the entire country. I would like to show all Canadians that we are proud to have someone from the North Shore as Leader of one of Canada's major parties. Of course, it would be nice if he had been a Liberal, but I know Mr. Mulroney very well, and I

am sure we will get along fine. Madam Speaker, I also hope he will visit Manicouagan for a round of political fencing, for instance.

[*English*]

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I would like to extend on behalf of the New Democratic Party Caucus, and the Party as a whole, our sincere congratulations to Mr. Mulroney. We watched, with interest, the convention held last weekend and were as excited I suppose as everyone else at its climax and finality. We look forward to seeing him in the House of Commons.

Some Hon. Members: Hear, hear!

Hon. George Hees (Northumberland): Madam Speaker, may I ask if we can have a few words now from the Prime Minister (Mr. Trudeau) to congratulate the new Leader of the Conservative Party?

Some Hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Well, Madam Speaker, I can understand the interest of the Hon. Member. He is probably looking forward to collecting that bottle of scotch that he won betting on Brian Mulroney.

Some Hon. Members: Oh, oh!

Mr. Trudeau: I can assure him that I will gladly follow his suggestion, first by saying that, as usual, the Hon. Member is a little bit late. I have already congratulated Mr. Mulroney. We entered the House of Commons Chamber together. I congratulated him most warmly, and his family and children.

I think it was a great convention that the Tory Party held. It certainly was most exciting for everyone in the country. I can only express my admiration for the winner having come through such a difficult and tumultuous convention. I congratulate the whole Tory Party for having held such an exciting event and in conformity with the democratic process.

As to Mr. Mulroney, as I say, we entered the door together this afternoon. I hope he will be entering regularly, and that his Party will soon find occasion to permit him to contest a seat so we can enjoy his presence also as a Member in the House of Commons.

Some Hon. Members: Hear, hear!

Mr. Trudeau: Madam Speaker, I would not want to sit down without also adding a word of congratulations to Mr. Clark, who fought a tremendous battle. There are many differences, as one knows, between Mr. Clark and myself, but I cannot help but admire his courage, his stamina, and his dedication to the people of Canada.

Some Hon. Members: Hear, hear!

CROWN CORPORATIONS

EXAMINATION OF CANADAIR AND DE HAVILLAND SUPPLEMENTARY ESTIMATES

Mr. Don Blenkarn (Mississauga South): Madam Speaker, by calling for the final day of supply as House business tomorrow, June 14, the Government has foreclosed Supplementary Estimates A. The Committees of this House have had precious little time to deal with these Estimates. There were no financial figures available for Canadair Limited until June 7. On that date the Committee managed to have only two meetings. Members have had virtually no opportunity to inquire into the need for that corporation to receive another $240 million.

The effect of tomorrow being an Opposition day totally prevents a realistic parliamentary inquiry into this Supplementary Estimate. The Committee has had no opportunity to look at de Havilland. The proper thing for the Government to do, if it believes in full disclosure and Parliament looking after the spending of money, is to delay the Opposition day until the week of June 27. That would be in accordance with precedent.

In the alternative, if the Government should specifically insist on an Opposition day tomorrow, it should withdraw the Estimates for Canadair and de Havilland, file new Supplementary Estimates, and allow the parliamentary process to work so that Parliament can have a chance to find out whether we should spend this money or not.

* * *

LABOUR CONDITIONS

STUDENT UNEMPLOYMENT LEVELS

Mr. Cyril Keeper (Winnipeg-St. James): Madam Speaker, I want to remind this House that while the excitement of the Tory Convention dominated the news media last week, perhaps rightly so, the unemployment statistics came out as well. We must not forget amongst all this excitement that a great deal of human suffering continues in Canada. Unemployment is up since last year, and two things have been clearly indicated by these statistics. We have a very serious continuing problem of long-term unemployment, while the Government has brought in employment programs of short-term nature. Secondly, student unemployment this summer is up to an historic high. One in every five students seeking a job this summer cannot find work.

Now that the Liberal Government, in its last budget, shifted to the right in an attempt to undercut the Tory businessman style of politics, I call upon the Prime Minister (Mr. Trudeau) to try to undercut the Tories' claim of compassion, by doing something real and immediate for students this summer.

And the Right Hon. Member for Yellowhead (Mr. Clark) having entered the Chamber, all Members rose in tribute.

And the Hon. Member for Etobicoke Centre (Mr. Wilson) having entered the Chamber:

Some Hon. Members: Hear, hear!

And the Hon. Member for St. John's West (Mr. Crosbie) having entered the Chamber:

Some Hon. Members: Hear, hear!

And the Hon. Member for Rosedale (Mr. Crombie) having entered the Chamber:

Some Hon. Members: Hear, hear!

And the Hon. Member for York North (Mr. Gamble) having entered the Chamber:

Some Hon. Members: Hear, hear!

• (1410)

Madam Speaker: I was wondering if I should evacuate all of the galleries, because people in the galleries should know that they are not allowed to demonstrate their feelings in any way.

Some Hon. Members: Oh, oh!

* * *

[*Translation*]

EXTERNAL AFFAIRS

ISRAELI-ARAB CONFLICT—PREREQUISITES FOR NEGOTIATED SETTLEMENT

Mr. Claude-André Lachance (Rosemont): Madam Speaker, on the occasion of the official visit to Ottawa of Mayor Freije of Bethlehem and in view of the two extreme positions taken on the one hand by the Likud, which favours the Erez Yisra'el policy and on the other hand by the Palestinians, who are in favour of a secular Palestine in which Jews, Christians and Arabs would live together in the same secular state, it is perhaps a good time to emphasize the preliminary conditions for a negotiated settlement. First of all, mutual recognition of Israel by the PLO and of the PLO by Israel; second, Israel's recognition of the right of Palestinians to autonomous government on the West Bank and in the Gaza strip; third, an immediate stop to Israel's policy of establishing settlements on the West Bank; and finally, the adoption by all parties concerned of the Reagan plan as a basis for negotiations. Madam Speaker, I believe these are the only conditions under which a negotiated and peaceful settlement can be achieved for all the parties concerned.

* * *

[*English*]

ETHNIC AFFAIRS

BALTIC AND UKRAINIAN ECUMENICAL REMEMBRANCE SERVICE

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, last week a large group of people held an ecumenical service at Notre Dame Basilica in Ottawa to commemorate the hiderous suffering of the Baltic-Ukrainian nations and the fiftieth anniversary of the famine in the Ukraine.

Archbishop Maxim Hermaniuk reminded us that approximately seven million human beings were murdered in the 1932-33 famine because they had dared to resist Joseph Stalin's collectivization of their farms. Their grain and vegetables were seized and, incredibly, exported to gain hard currency for the Soviet Union. In short, it was a merciless and deliberate act of genocide. The Right Rev. Bishop Vasylij of the Ukrainian Orthodox Church recounted that 1,150 priests, 30 bishops, and thousands of lay members of his church were murdered during the 1930s in Stalin's attack on religion.

It was also pointed out to those of us present that between 1941 and 1953 more than one million Balts were deported from their homelands by Soviet Communists.

The service was sponsored by the Ottawa branches of the Estonian Society, the Latvian National Federation, the Lithuanian Canadian Community and the Ukrainian Canadian Committee, supported by the Byelorussian Canadian Alliance, the Czechoslovak National Association, the Hungarian Bartock Society, the Polish Congress, and the Slovak National League.

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EXTERNAL AFFAIRS

EXECUTION OF FORMER PRIME MINISTER OF HUNGARY—TWENTY-FIFTH ANNIVERSARY

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, on June 16, 1958, the former Prime Minister of Hungary and his cabinet colleagues were executed for their role in the Hungarian Revolution of 1956. Their remains, along with those of the many others similarly put to death, were buried by the authorities in numbered graves. The location of these burial sites remains a state secret to this day.

On the eve of the twenty-fifth anniversary of the execution of Mr. Nagy and his associates, the Canadian Government should appeal to the Hungarian Regime to observe basic human decency and adhere to the principles of human rights embodied in the Helsinki Agreement's Final Act, by responding to repeated pleas for the identification of the graves and for permission to reinter the remains at a final resting place of their survivors' own choosing.

At the same time, of course, the Canadian Government should always be doing everything it can to protest and help abate the oppression and persecution of current dissidents within the Soviet Union, Eastern Europe, and the Baltic States. In particular may I remind the Government of the plight of two young women, Olha Heyko and Iryna Ratushynska, who face 12 years' imprisonment each for "anti-Soviet agitation and propaganda", and remind the Government of the need for representations to be made on their behalf.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

FISHERIES

RESTRUCTURING OF EAST COAST FISHING INDUSTRY—GOVERNMENT POSITION

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I had hoped to direct my question to the Minister of Fisheries and Oceans with whom I had discussions about the Atlantic fisheries. In his absence, perhaps the Chairman of the Cabinet Committee on Economic Development, or even the Prime Minister, could indicate the latest view of the Government on the restructuring of the fleet and the refinancing of the Atlantic fishing industry.

The Prime Minister, if he chooses to answer, I am sure knows that delay in this case is the deadliest form of denial. No one connected with this industry can have any certainty of purpose, and there are widespread fears that the Government is withholding its assistance to the industry in order to force the companies into a position where they may have to be nationalized.

I am sure that the Government is aware that the problems created by such an atmosphere of uncertainty in the industry must be addressed, particularly when the press has speculated that the aid will not be given until some time in July.

Can the Prime Minister, or someone in his Cabinet, tell the House and the country whether or not the Government will address the problem quickly? Is it in fact negotiating with the provincial Governments in order to transfer the problem there in return for several hundreds of millions of dollars, so that the provincial Governments will have to deal with problems which, according to speculation, could involve the closing of some individual plants?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I would only say Amen, to the first part of the question. It is a matter which I have been following quite closely in Cabinet for some time. I think the Hon. Member is expressing the kind of distress that I have also found on this side, that the matter has taken such a long period of time to settle.

The Government's intentions were made known well before the turn of the year. The rest has been a matter of very lengthy negotiations, not amongst ourselves since the Cabinet took the position many months ago, but because we did have to see the provincial Governments. We had to see the people in the industry, and we had to meet the representatives of the fishermen themselves.

I have in mind a recent agreement that was reached between our Minister and the Newfoundland Minister of Fisheries, only to be rejected by the provincial Cabinet. Therefore we had to go back to square one and look for other ways of making improvements to the whole fishing industry in a way which, hopefully, would be conductive to co-operation between the federal and provincial Governments, the business side and the fishermen's side, meaning the unions.

I repeat that it is not for want of desire or even intent on the part of the Government; it is because the negotiating process itself is a very lengthy one, as the Hon. Member must know from experience, when trying to get provincial Governments to agree amongst themselves and then with us.

INDEPENDENT PROCESSING FIRMS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, my supplementary question is directed either to the Prime Minister of the Chairman of the Economic Development Committee, who has arrived in the Chamber. I appreciate the Prime Minister's answer. I want to bring up another specific matter of concern in the Atlantic region, namely, the fate of the small independent processors and co-ops who have provided a degree of competition and stability to the industry in the past. I am thinking of some companies of which the Minister knows, such as Connors Brothers, United Maritime Fish, Abriel Fisheries Ltd., and so on. Anyone who thinks that the entire Atlantic fishery is in crisis should realize that, out of a total of 250 fish plants in Nova Scotia, 230 have done well.

What will happen in the future to some of these small independent processors who have been absorbed by the big conglomerates and dragged into financial ruin? Can the Minister give us some indication that the position of these independents will be protected? How does he propose to do that?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, as the Hon. Member indicated, some of the small independents have done very well indeed. I am confident that they will continue to do so within a restructured fishery. As the Prime Minister has indicated, negotiations are proceeding at this very moment, as effectively as they have been for some months.

Furthermore, as the Hon. Member knows, the matter is extremely complex. There has to be a solution which will protect all of these interests and which will make the fishery economical and viable in the long term.

CABINET COMMITTEE DECISION

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I simply want to ask the Minister to assure us that, besides the inevitable delays and negotiations that the Prime Minister has referred to, the Cabinet committee members concerned have resolved any differences of opinion that they have, and are no longer split as reports have indicated, and that there will in fact be something done before July?

• (1420)

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, I do not know what kind of split the

Hon. Member is referring to. The Cabinet committee gave a firm mandate to Mr. Kirby and the negotiating team, and Mr. Kirby has been proceeding to negotiate with all the interested parties pursuant to that mandate upon which there is unanimous agreement.

* * *

LABOUR CONDITIONS

UNEMPLOYMENT IN MANUFACTURING SECTOR

Hon. Bill Jarvis (Perth): Madam Speaker, may I direct my question to the Minister of Employment and Immigration who, I believe, will share my disappointment and concern with respect to the statistics revealed by the Canadian Government's survey of the labour force for the last six months. This now shows that unhappily within the manufacturing sector companies are not rehiring employees. Knowing the figures for the last six months, will the Minister be forthright in telling us his Department's estimates for the next six months with respect to those tens of thousands of workers in the manufacturing sector? Could he give us his prognosis of their opportunity for recapturing their jobs before the end of this calendar year?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, always the question is what is in the eye of the beholder. What we should be very careful to take note of is that this is now the sixth straight month in which there has been employment gain, and that we have created close to 200,000 additional jobs in this country over the past six months. When you examine it, the pattern is one of very strong, very active performance in the economy. What we must be careful about doing is putting our emphasis on continuing that progress and that momentum, and not to fall into the trap of the Hon. Member of trying to pull that progress back.

Mr. Jarvis: Madam Speaker, I am sorry the Minister did not hear the question. The 200,000 jobs to which he referred are largely in the service and natural resource industry. I am delighted for those people finally being gainfully employed, but I am talking about the lack of recovery in the manufacturing sector where tens of thousands of skilled workers are not able to put their skills to work, not only in their own interests but in the interests of the country. Apparently, and the Minister can confirm this, this situation is attributable to the manufacturers' uncertainty and lack of confidence.

RESTORATION OF CONFIDENCE

Hon. Bill Jarvis (Perth): Madam Speaker, my question to the Minister, on behalf of those tens of thousands of skilled manufacturing workers now without a job, is to ask what steps he proposes to take in an attempt to restore confidence and give some certainty to those employers and those jobless Canadians.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I would advise the Hon. Member to go back and take a more careful reading of those figures.

Mr. Jarvis: I did.

Mr. Axworthy: What he would find if he did that—

Mr. Jarvis: I did.

Mr. Axworthy: —is that in the last month there was a net gain of 32,000 jobs in the manufacturing area. This shows there is a beginning of a positive trend, and with the introduction of the budget of the Minister of Finance in April, which has set out a number of incentives for the private sector, we fully expect that trend will expand and enhance itself in the months to come.

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CROWN CORPORATIONS

ISSUANCE OF CONTRACTS

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is directed to the Minister of State for Economic Development. At a time when medium and small businesses across Canada are struggling to survive, and when a federal Crown corporation is in business to encourage Canadian small and medium sized business to obtain overseas or foreign contracts as a result of a Crown corporation bringing foreign contracts together for Canadian suppliers, does the Minister feel strongly that the Crown corporation should be sensitive to providing those opportunities across Canada as opposed to simply one region of Canada?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, I do not know how one should answer such a hypothetical question. The fact is that Crown corporations, by definition, are created in the national interest and, therefore, have to be sensitive to national responsibilities, and that means also regional sensitivities in the national context.

CANADIAN COMMERCIAL CORPORATION—BRITISH COLUMBIA SUPPLIERS

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, if Crown corporations are to have regional sensitivities, particularly during these difficult economic times, I want to inform the Minister of State for Economic Development that the Canadian Commercial Corporation provided $554 million worth of orders to suppliers across Canada, yet only 1 per cent of those orders was issued in British Columbia to British Columbia suppliers. Does the Minister support this obvious form of discrimination? If not, what is he prepared to do about it?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technolo-

gy): Madam Speaker, on issues of procurement and contracting we try to distribute work across the regions. I do not know what specific contracts the Hon. Member is referring to when he talks about discrimination or what were the products involved.

Mr. Riis: There were $554 million in orders.

Mr. Johnston: If the Hon. Member can produce specific evidence I will be more than pleased to bring it to the attention of the responsible Minister.

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TRADE

ACCESS TO UNITED STATES MARKETS

Mr. Robert Wenman (Fraser Valley West): Madam Speaker, my question is for the Prime Minister. Canada stands unattached to any major trading bloc, yet Canada is one of the most trade dependent nations in the world. One-third of our GNP is generated by foreign trade, and one out of every four jobs in dependent upon foreign trade. Given the fact that 70 per cent of Canada's export market is in the United States, is the Government planning any new sets of arrangements with the United States which, while ensuring our own Canadian sovereignty, will also ensure secured access to vital American markets?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Government is seeing its Ministers cross the border almost in a perpetual fashion.

An Hon. Member: By JetStars.

Mr. Trudeau: There are constant exchanges of visits between Canadian Government Ministers and Ministers in the United States of America, not only trade Ministers but Communication Ministers, Immigration Ministers, and the Transport Minister.

Miss MacDonald: And Gerry Regan.

Mr. Trudeau: There is a great deal of day-to-day contact in the United States. We have several trade officials dispersed across that country in embassies and consulates. The Government realizes, as the Hon. Member puts it, that the United States is and will remain our most important trading partner.

That being said, Madam Speaker, this Government has looked at other possibilities, and I believe there is one candidate who presented another possibility to the Tory convention. It is one that we have not accepted and it is one, I understand, which the Tory Party itself has not accepted, namely, another greater continental link between the two countries.

Mr. Wenman: Madam Speaker, I would be concerned about the informality of the relationship that exists and wonder, with the vulnerability of the Canadian market, whether that is an adequate response.

CANADIAN TRADE WITH ASEAN COUNTRIES

Mr. Robert Wenman (Fraser Valley West): Madam Speaker, let us turn for a moment to something else. Canada must also increase its trading relationships not only with the United States but also with the newly industrialized nations. In January of this year the Prime Minister undertook a tour of the Asian Pacific region and returned to report to this House on January 20 that, while no trade agreements had been signed, the ASEAN bloc became "aware of the vast trading possibilities potential between us." Six months later, and given Canada's continuing need for expanded markets to broaden its international trading base and thereby increase job creation in Canada, can the Prime Minister tell the House at this time, specifically six months later, what new trade arrangements have been made or are being negotiated as a result of the Prime Minister's and his other Ministers' visits to the Asian Pacific Rim?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, that is obviously a question for the Minister of State for International Trade.

Mr. Crosbie: Where is he?

Mr. Trudeau: I am sure he will be happy to answer it when he is in the House.

Mr. Crosbie: After seeing his family again.

Mr. Trudeau: The Hon. Member will recall that my trip to the Pacific Rim was not met with universal favour on the other side of the House. Still I am glad to see that at least one Tory over there thinks it important to find new markets. I can assure the Hon. Member he shares that view with many people on this side, and that is why the Minister for international trade has had an extended trip to the Pacific Rim countries. I know for a fact that the businessmen who were with me, and whom I have met since, thought that trip was very important, and that they see their prospects for trade vastly improved.

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NATIONAL ENERGY PROGRAM

GOVERNMENT'S ELECTION PROMISE ON PRICE OF GASOLINE

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. During the 1980 election the Liberal Party promised Canadians cheap gas.

Mr. Crosbie: What a joke.

Mr. Gurbin: The Liberal Government, through the National Energy Program, has given us loss of investment, loss of jobs, and high gasoline prices. For the upcoming discussions and negotiations in July, I would like to know whether or not the Minister has directions or whether he has been given instructions to change the National Energy Program to revitalize the

industry and to fulfil the promise he made to Canadians prior to the last election.

• (1430)

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I would like to know what is the view of the Hon. Member on the subject. So far this year we have had some negotiations with the Government of Alberta. In 1983 the cash flow of the industry in Canada will be higher than the cash flow of last year, while in the United States it will be the reverse situation. One company was very happy to report the other day that it was not able to sell its assets in Canada because they were the only ones with which it was making profits at this time in its international operations. There are some problems in the oil and gas industry at this time caused by the decline in the international price, but we are doing our best to ensure that the Canadian industry remains as viable as possible.

Mr. Gurbin: I say to the Minister of Energy, Mines and Resources that we know the problem. What we need is definitive and constructive action.

EMPLOYMENT CREATED BY DRILLING RIGS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my supplementary question is directed to the Minister of Labour. He will be aware that 1.5 million Canadians continue to be unemployed. Also, he will know that for each oil or gas rig that operates in Canada there are 700 man-years of employment created, and $10 million worth of investment.

Given those facts, and the fact that two-thirds of all oil rigs in Canada are not functioning now, has the Minsiter of Labour made any representation to the Minister of Energy to change the National Energy Program so that we can get oil rigs back to work and have the best possible long-term job creation program in Canada?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the Hon. Member is presenting a situation which is well under consideration in terms of job creation and on many occasions has been expressed in the House by the Minister of Employment and Immigration. If the Hon. Member would like me to make representations on job creation, I can assure him that the Minister is fully aware of the situation, is consistently acting on creating jobs in a variety of ways, and is fully cognizant of the situation.

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CANADIAN SECURITY INTELLIGENCE SERVICE

COMMISSION'S RECOMMENDATION ON MINISTERIAL RESPONSIBILITY

Mr. Chris Speyer (Cambridge): Madam Speaker, my question is directed to the Solicitor General. The McDonald Royal Commission took four years to prepare three volumes of recommendations, costing Canadian taxpayers $10 million. If one phrase can sum up the essence of that Commission, it would be the ultimate necessity for ministerial responsibility over the Security Service.

In light of the ability of the Director General to override the Minister, even if the Minister objects to the matter, why have the Minister and the Government stripped the heart out of the McDonald Royal Commission recommendations? Why have they repudiated it? Why in these circumstances is the Government violating a basic tent of parliamentary democracy, namely, ministerial responsibility over the Security Service?

[*Translation*]

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I disagree with the Hon. Member's suggestion that we have failed to consider the main recommendations of the McDonald Commission. We did, in fact, accept the principal recommendations which included the separation of security services and the creation of a civilian agency that would provide for greater control by and accountability to the House of Commons.

[*English*]

ROLE OF REVIEW COMMITTEE

Mr. Chris Speyer (Cambridge): Madam Speaker, my supplementary question on the same subject is directed to the same Minister. In view of the three Privy Councillors who will form and comprise the review committee with which I agree, and in view of the fact that the Government appoints them, that they all have an oath of office, and would be pre-eminent Canadians, will the Minister tell the House why they would not be entrusted with Cabinet confidences that are held by the Security Service? Is the Government in a position to answer that question?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, in so far as the point in the former question about the power of the Minister in relation to the power of the Director is concerned, the system composed in the legislation, copied incidentally from Australian parliamentary democracy which works very well, was designed to assure that in moving the agency from the RCMP where there was considerable public assurance and confidence that there was no partisan abuse of the agency it provided for the direction and safeguard that the Director would have the final authority only in relation to a particular case, not in relation to the over-all direction of the agency. Also it provided that there would be an assurance the new agency, for which the Solicitor General would be accountable to Parliament, would clearly not be subject to any partisan direction and that it could not be abused by the government of the day. That is the whole reason for the safeguard.

So far as confidences of Privy Councillors are concerned, that is a general position the Government has taken in the access to information law and in the proposal in this area. Great progress has been made in making the Government fully accountable and in making its documents fully accessible. To

make Cabinet confidences available would be damaging to the structure of Cabinet Government as it is known in Canada.

I look forward very much to discussing these relatively technical issues with the Hon. Member and with other Hon. Members opposite in committee, when the Bill proceeds to committee. Meanwhile I think the Hon. Member would agree with me and with commentators who have analysed the Bill that it represents a considerable step forward in safeguarding the privacy and civil liberties of Canadians.

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NUCLEAR ENERGY

REQUEST THAT PUBLIC INQUIRY BE INSTITUTED

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. In light of the growing concern among Canadians as to the economic viability of the nuclear industry in Canada, the ongoing problems with waste storage, and in terms of the export of our Candu technology to such countries as Argentina, countries which are clearly interested in using the nuclear fuel cycle to create atomic weapons, would the Minister tell the House at what point he is prepared to have a full public inquiry into the entire nuclear industry and nuclear cycle in Canada?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I appear regularly in front of committees of the House and the Hon. Member never came to question me on that subject. The Candu reactor is a technology developed by Canadians which has worked very well so far. As long as a country wants to sign the appropriate international obligations about utilization of that energy, I think we should be able to sell that technology, because the Candu reactor is one of the best performing instruments in atomic energy around the world.

Mr. Fulton: I have attended committees around the House for the last four years and I rarely saw the Minister of Energy there. I remind him that this is Question Period and that is why I am asking the question.

SELECTION OF REACTOR SITES IN NORTHERN REGIONS

Mr. Jim Fulton (Skeena): Madam Speaker, approximately ten days ago I asked the Minister about the Slowpoke III proposals that have been put out. The Minister said that he did not know anything about them. He must know by now that his regional directors across Canada are being asked to evaluate siting in at least 400 communities for Slowpoke III nuclear reactors across northern Canada. Would he tell the House, and northerners who might be watching, just exactly what kind of public process or public inquiry there will be in relation to the Slowpoke III, which has a very dangerous waste storage problem for spent fuel?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I think there is no danger at present. Some of these plans have been in operation in universities, and some technicians are looking at the possibility of using that technology in many other places in Canada, but there are no specific plans to proceed at this time with that. If we decide to proceed we will take action to ensure that there is the appropriate consultation with the localities.

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CANADIAN NATIONAL RAILWAYS

ACQUISITION OF CAST SHIPPING GROUP—GOVERNMENT APPROVAL

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, my question is directed to the Minister of Transport. It appeared that it would have been useful, prior to Cabinet taking a decision with respect to a Canadian National takeover of Cast, that the combines investigation hearings into that matter should have been completed, that the CTC hearings should have been completed, and that, at the very minimum, the Standing Committee on Transport should have had an opportunity to examine further the matters surrounding this situation. Could the Minister indicate whether or not Cabinet has now issued an Order in Council authorizing Canadian National's full takeover the Cast and its group?

Hon. Jean-Luc Pepin (Minister of Transport): Yes, Madam Speaker, indeed Cabinet authorized CN to negotiate an alliance of some kind with Cast, but the deal has not yet been done. The order in council is an authorization to negotiate on certain terms.

• (1440)

On the subject raised by my Hon. friend, first on the combines investigation, I already answered that question saying that I had consulted with the Minister responsible who told me there was no objection to any negotiation. On the second point, the CTC inquiry, it is the practice for both the private and public sector in Canada to conclude first and then refer to the CTC for approval or denial. That is the normal practice. We proceeded in that way in the knowledge that, in a previous case, the acquisition of Dart by CP ships, on the one-third basis, the CTC rendered a favourable decision, justified by the requirements of vertical integration. With respect to the committee, my hon. friend is a member of it. He can question the President of CNR at any time.

POSSIBILITY OF FREIGHT RATE WAR ON ATLANTIC SHIPPING ROUTES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, the Minister will be aware that any action by Cabinet may very well precipitate a massive North Atlantic Conference shipping rate war. Has the Minister taken advice and consulted with his Cabinet colleagues with respect to Cabinet

not taking a decision until every public opportunity for objection to this move has been given? Has he done that, or will he give the House the undertaking that that will be done?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend raised this question the other day. I mentioned that members of the Cabinet were present at that time and consequently could listen to him. Indeed, this was done. However, the general result of honouring the requirements indicated by my hon. friend would be that we would have to wait for a year or so for all these authorizations, the Cabinet committee, the CTC, the Committee of the House of Commons on Transport, et cetera. There is a transaction to be made. It cannot wait until all parties have agreed to it. We are following the traditional pattern in Canadian decision making in these matters.

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FISHERIES

RESTRUCTURING OF EAST COAST INDUSTRY—INQUIRY RESPECTING OFFSHORE FLEET

Hon. John A. Fraser (Vancouver South): Madam Speaker, my question is directed to the Minister of State for Economic Development. In answer to a question from my colleague, the Hon. Member for Central Nova, the Prime Minister said with reference to fisheries that the delay was as a consequence of detailed negotiations with a lot of people other than the Government. The Minister said there was no split in the Cabinet committee. Everybody knows there has been a split. What position has the Cabinet committee taken in its negotiations with the Provinces and the industry with respect to nationalization of the offshore fleet?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, the point I made is that there was a mandate given by the Cabinet committee to Mr. Kirby and his team of negotiators. They are currently negotiating pursuant to that mandate.

There have been extensive negotiations with the Province of Newfoundland. As the Prime Minister indicated, agreement has been reached on at least two documents between our Minister of Fisheries and the Minister of Fisheries of the Province of Newfoundland. There have been meetings that I participated in, with Premier Peckford. I had exchanges of correspondence pursuant to that with Premier Peckford. This week there are ongoing negotiations with the banks. The Hon. Member will appreciate that the bankers have a very real interest in how these negotiations materialize. This is what the Prime Minister was referring to, that there are detailed negotiations being conducted simultaneously to the extent possible on all fronts.

I can assure the Hon. Member that there was complete agreement on the mandate which Mr. Kirby and his negotiators are carrying forward on behalf of the Government.

REOPENING OF FISH PLANTS—GOVERNMENT POSITION

Hon. James A. McGrath (St. John's East): Madam Speaker, I have a supplementary question for the Minister of Fisheries and Oceans. I remind the Minister that he has a mandate under the Fisheries Act to deal with all matters relating to fisheries. I therefore ask him, and not the Minister of State for Economic Development, to tell us if the decision has been reached on restructuring. Can he tell us what plants will be reopened, if all of the down deep-sea plants will be reopened and, if not, what plants will stay down and not be reopened? That question is critical to the thousands of plant workers and fishermen who are awaiting a decision by the Minister.

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I am happy to report to the Hon. Member that the Minister of Fisheries of Newfoundland and Labrador and myself have reached an agreement in principle. Since that time Cabinet has confirmed that agreement in principle which I reached with him. He has asked for several other amendments. Our Cabinet has agreed to them. All we are waiting for at this moment is for the different parties to give their consent to that agreement. I can tell the Hon. Member that, the sooner that is done, the sooner we will bring stability to the fishery in Newfoundland.

* * *

[*Translation*]

TEXTILES AND CLOTHING

INQUIRY RESPECTING GOVERNMENT MEETING WITH CLOTHING MANUFACTURERS ASSOCIATION

Hon. Roch La Salle (Joliette): Madam Speaker, my question is directed to the Minister of State (External Relations).

Madam Speaker, I shall continue to defend the interests of my province, as I have always done in the past. Hon. Members are asking what I intend to do. I have a question for the Minister of State (External Relations). It is now two weeks ago since the Minister answered in the House that the Minister responsible would be meeting the garment industry within the next two weeks. Can the Minister inform the House today when the meeting requested by the industry's Association will take place?

Hon. Charles Lapointe (Minister of State (External Relations): Madam Speaker, the entire issue of the textile and garment industry is the responsibility of my colleague, the Minister of State for International Trade. When I answered the other day, I was doing so on his behalf, but since my colleague is now in the House, I think it would be up to him to answer this question.

Oral Questions

RENEGOTIATION OF QUOTAS—GOVERNMENT POSITION

Hon. Roch La Salle (Joliette): Madam Speaker, can the Minister inform the House today whether a meeting will take place between the Minister and the garment industry, a meeting that has been requested for the purpose of discussing the renegotiation of quotas? If so, could the Minister inform the House when this meeting will take place?

[*English*]

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, the Hon. Member may not be aware of the fact that I, along with the Minister of Industry, Trade and Commerce, met with representatives of the industry who are concerned about the present increase in the level of imports and garments. We have had thorough discussions. Pursuant to that meeting, a dossier was placed before the Cabinet for consideration. That consideration is now under way. I expect there will be a decision and possible action by Government in the very near future.

* * *

LABOUR RELATIONS

RESOLUTION OF EASTERN PROVINCIAL AIRWAYS PILOTS' STRIKE

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is for the Minister of Labour. There have been negotiations and discussions for some six months with respect to the pilots' strike at Eastern Provincial Airways. Weekend press reports indicate there has been an agreement. Will the Minister share with the House some of the details as to when this agreement may be put into effect and as to when that company might be able to meet the transportation regulations in this country so that there will again be full service for the citizens of Atlantic Canada?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the agreement in essence boils down to the fact that the striking pilots return to the payroll on June 10. The replacement pilots will work until August 30 as the striking pilots use up 50 per cent of their credited leave time and go through retraining. Following retraining, the striking pilots will be returned to the position they occupied prior to the strike. These, in essence, are the elements of the agreement.

* * *

NUCLEAR ARMAMENTS

UNITED STATES REQUEST TO TEST CRUISE MISSILE

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my question is addressed to the Prime Minister. We have been informed today that the United States has in fact asked for approval to test the Cruise missile in Canada. The communique issued by the Minister of National Defence indicates two things. The first is that the proposed test program falls within the terms of the Canada-U.S. test and evaluation program agreement. And, in a somewhat contradictory way, the Minister indicates that officials of the Department of National Defence will now begin an assessment of the proposed test program. Given that there appears to be some contradiction, I would like to ask the Prime Minister if the proposal submitted by the U.S. falls within the terms four-square of the agreement signed between Canada and the United States. Will the review process that is to be undertaken be undertaken in such a way as to allow for public input?

• (1450)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is correct. There was a request made this morning to the Minister of National Defence. He consulted with me and we did announce this morning that the request had been received.

As to the question the Hon. Member puts, I must point out to him that the weapons testing agreement that had been signed many months ago with the United States was an umbrella agreement. What the Minister is stating now is that the request we have fits within that umbrella agreement. In other words, it is not a request for the test that would be made outside of the agreement or outside of the over-all understanding.

The purpose for the Minister and his Department now will be to examine and to assess, as the Minister says, the precise request, now that he has ascertained that it comes under the agreement. That is all that the Hon. Member's first paragraph or first quotation means, that it is within the terms of the umbrella agreement. But there was never any general understanding or particular one that everything submitted to us within the umbrella agreement would be agreed to. Now we have to look at each specific test, Madam Speaker.

PUBLICIZING OF REQUEST

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I would like to ask the Prime Minister further if it will be possible for the submission that has now been received by the Canadian Government to be made available to the Members of the House of Commons, as was the test agreement, in order that we can determine, on behalf of the people whom we represent, what effect this particular proposal or set of proposals will have on the communities or areas that will be affected by the testing. Further, I ask him again if there will be further opportunity for public input prior to the Government making a final decision.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I cannot say whether the request itself could be made public. I have seen it; I have not read it. I would think that is a question on which I would have to seek advice.

As to the concern of the Hon. Member, I do not think he has to wait to see any fine print to make up his mind as to whether we should test the Cruise or not. The parameters are well known. It is a non-armed missile. It is a request which comes

under the two-track decision, or at least it is a request which Cabinet is considering as related to the two-track decision of NATO taken in December, 1979, and obviously it will involve testing over some part of Canada. If the Hon. Member needs more details to know whether he is in favour of it or opposed to it, perhaps he could ask me what those details are and I would attempt to give him the answer.

Mr. Deans: Madam Speaker, I personally do not require any further information to determine that I am opposed to it. My concern is that the public of Canada should be made fully aware of the implications of the announcement which was made today.

GOVERNMENT'S DECISION—TIMING OF ANNOUNCEMENT

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, is there any doubt in the mind of the Prime Minister that Canada has now committed itself fully to promote Cruise testing within this umbrella agreement as submitted by the U.S. Government to the Canadian Government, as of today's announcement? Will the Prime Minister undertake not to announce his decision, if there is any decision to be made, while the House is not in session during the summer months?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as to the first part of the question, I would point out to the Hon. Member that he is going back to something that I believe his Party has been saying for quite a while, that we had been asked, that we had given an answer, and so on. I think now at least he should be recognizing that we have not been asked before. We were only asked this morning to test the non-armed Cruise missile. The answer will be forthcoming and I would like to give it as soon as practical, Madam Speaker. I do not know how long it will take to examine the specifics of that request. If it happens before the end of June, we will certainly inform the House. If we have not made up our minds before that, Madam Speaker, and the assessment is not finished, then it could only be announced some time later. Whether it would be appropriate to call the House back some time in July or August, assuming the decision can be made then, is a consideration the Hon. Member may want to put to the various House Leaders so they could examine it.

REQUEST FOR PARLIAMENTARY DEBATE ON ISSUE

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Prime Minister and deals with the same subject. Unlike the NDP, I think that we would rather debate this before the decision is made rather than afterward.

Some Hon. Members: Hear, hear!

Mr. McKinnon: An official with the Prime Minister's office has said that the decision would be made in late summer. I wonder if the Prime Minister could guarantee us that we will have an opportunity to debate this matter before the final decision is made.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I do not understand the nature of the jibe at the NDP. The spokesman for the NDP just made his position clear, which, I take it, is that of his Party, that he is opposed to testing of the non-armed Cruise missile. I understand from the other side of the House that each candidate for the leadership and, presumably, Mr. Mulroney who has won, is in favour of testing the non-armed Cruise missile. Therefore, what is the debate about at this stage, Madam Speaker? If the Hon. Member wants to debate it, tomorrow is—

Mr. Nielsen: Stop sitting on the fence.

Mr. Trudeau: The Hon. Member for Yukon has moved geographically, Madam Speaker. I think this is a sign of things to come. I hope to see him move further and further until he is—

Some Hon. Members: Out, out!

Mr. Trudeau: If the Hon. Members opposite will give me four minutes more, I will be out, and happy to be so. With the Member for Yukon, it will take a little longer, but we will see him behind the curtains and out of Parliament Hill, I think, before the year is out.

Some Hon. Members: Oh, oh!

Mr. Trudeau: I repeat, Madam Speaker, that presumably there is a House Leader over there. If the Opposition still want to debate this, they can raise the subject tomorrow and we will hear all of those fine speeches from the Tories as to why we should support the testing of the non-armed Cruise missile.

Mr. McKinnon: Madam Speaker, we want to debate this with the information on what the Americans are proposing in our hands. There are many points in the umbrella agreement with which we are not in full agreement.

NATURE OF REQUEST FOR TESTING

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my supplementary question is directed to the Minister of National Defence. I would ask him if the proposal he has now received from the United States is a proposal that, as one would gather from paragraph 4 of note 64 which is the umbrella agreement, is a project arrangement providing implementation arrangements for each test of evaluation projects that shall be negotiated and concluded by the Department of National Defence. Can he assure us that he will pass this to the Cabinet, and can he assure us that we will have a chance to debate it with the document in our hands so that we will know what we are talking about?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, first I would like to make the position of the Department clear. The umbrella agreement signed in February for the possible testing of some of the American Cruise missiles, was not a commitment to test any of them. The only commitment that was made, according to this agreement, was

that the Americans have to make a request and then we will decide if we accept it or not. We are not committed to test anything until the request is made.

This morning we did received a request from the United States Defence Department to test the unarmed guided Cruise missile. We must now look into the document that they have submitted to us. As the Hon. Member who just asked the question is a former Minister of Defence, he should know that these documents are confidential. At some time, Canada and the United States might together agree to declassify some of the information. As far as the Hon. Member is concerned, he should therefore know that, between the two countries, the document is confidential and I cannot divulge the contents of it.

REQUEST THAT GOVERNMENT INITIATE PARLIAMENTARY DEBATE

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I direct a question to the Prime Minister that deals with the same subject. One of the great weaknesses of the umbrella agreement is that it does not call for any of the subsequent proposals by the United States to be debated in Parliament. The agreement does not call for parliamentary approval.

• (1500)

This is the first request made under that umbrella agreement. It therefore becomes a precedent as to how our Government follows it. We on this side very much want to see that the precedent laid down is one of having parliamentary debate on the issue. Will the Prime Minister set the tone for anything that is agreed upon under the umbrella agreement by bringing this first request into the House of Commons as a Government issue to be debated by Parliament?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I said, there is an opposition day tomorrow.

An Hon. Member: This is a Government day.

Mr. Trudeau: It is just possible that the NDP would want to agree with the Hon. Member and debate this subject tomorrow. We would be happy to discuss it. As a matter of fact the House knows that I am always ready to make deals. If we could get the Crow into Committee this week, say, I am sure I could convince our House Leader to find a day next week to debate this important subject.

As to the fact that it is not in the umbrella agreement, surely the Hon. Member, as a former Minister, should realize that when we sign an agreement with the United States we do not undertake to tell the United States how Parliament will conduct its affairs.

The Hon. Member says that we should set an example. I would say, somewhat nostalgically to her, that if she had set an example in the Fall of 1979 when she was Minister before going to Brussels to sign the NATO two-track agreement, and if there had been a debate in the House, perhaps the positions of the Government and Parliament would be somewhat different now. When we became the Government we were faced with the two-track decision.

An Hon. Member: That is a cheap shot.

Mr. Trudeau: Hon. Members opposite talk about cheap shots. I have always said that we supported the two-track decision. That has been my position. But the Hon. Member is in a very sorry position to say it should have been debated in this House when it was a fundamental decision for the alliance, and I never saw it being debated in this House by any means.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Thursday, June 9, 1983, meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

BILL C-85—RECONSIDERATION OF BUY AND SELL PROVISION

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, I have a duty to present a petition on behalf of my constituents. The purpose of this petition, signed by a number of citizens in central Alberta, is to registrer concern over Bill C-85, an Act to establish a corporation called Canagrex.

The nature of this petition is to request that Clause 14, the clause that provides the potential for the Government of Canada to do all buying and selling of all agricultural products, be removed from Bill C-85. I hope we can have further discussion on this clause before the Bill passes.

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I have a petition from the constituents of Portage-Marquette in the Province of Manitoba. Approximately 400 people have asked that the buy and sell powers of Canagrex be removed. They point out that they are in favour of those parts of the proposed Crown corporation, Canagrex, that provide additional support for Canadian agricultural exports, but are not in favour of the Government receiving the buy and sell powers which are embodied in Clause 14. We hope that Parliament

will not enact this legislation until Clause 14 has been removed.

MR. RIIS—BROADCASTING ACT AMENDMENTS

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, it is my pleasure to offer the following petition regarding the amending of the Broadcasting Act to include abusive comment or abusive pictorial representation on the basis of sex, asking for its removal from the Act.

* * *

[*Translation*]

THE LATE HON. SENATOR MAURICE LAMONTAGNE

EXPRESSIONS OF CONDOLENCES

Mrs. Eva Côté (Rimouski-Témiscouata): Madam Speaker, I would like to say that today, Canada has lost a great Canadian in the person of the Hon. Senator Maurice Lamontagne. I am speaking today because Senator Lamontagne was born in Mont-Joli, a small town about 20 miles from Rimouski. He received his formal education at a *collège classique* in Rimouski, and was a Member of this House and President of the Privy Council before being appointed Senator. Madam Speaker, with your permission, I want to express my admiration for Senator Lamontagne who was a great Canadian and a well-known economist, a person of whom the people of the Lower St. Lawrence region are extremely proud. All of us, either directly or indirectly, have benefited from his experience and the years he spent teaching young people at various Canadian educational institutions and also when he acted as economic adviser to two illustrious Liberal Prime Ministers, the Right Hon. Louis St. Laurent and the Right Hon. Lester B. Pearson.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I also wish to express personally, at this time, since the Hon. Member has already done so on behalf of us all, the admiration I had for this man of many merits to whom we owe so much, both as an intellectual and as a source of moral leadership, as the Hon. Member implied. I must say, however, that to many of us, Senator Lamontagne was also the archetype of the academic, of the man who stood above the fray, but nevertheless decided to plunge into politics with all the problems and ingratitude such a decision signifies. He did so out of dedication to his country, and he believed it was his duty to enter the political arena with all the trouble that awaits those who take this step. For me personally, Mr. Lamontagne was a truly outstanding man and a good friend whom I shall always remember with feelings of profound gratitude.

[*English*]

Hon. Bill Jarvis (Perth): Madam Speaker, on behalf of my colleagues and myself may I join in the expressions of sympathy that my colleagues opposite, including the Right Hon. Prime Minister (Mr. Trudeau), have expressed.

Tributes to Late Senator Lamontagne

I was privileged to serve on more than one committee with the late Senator Lamontagne. Those of us who denigrate the committee work of both the Senate and this House would find inspiration in the contributions that the late Senator made to committee work. As a Member of the Senate Reform Committee, one of my greatest regrets is that I will not have the benefit of his participation or testimony before the Committee. I knew that he held very strong views and I am not sure I would have agreed with all of them, but I would have respected them. I think I speak for every member of that Committee in expressing a very particular and specific regret.

On a personal note, I had the great privilege, pleasure and enjoyment of travelling to Mexico to meet with the Senator's daughter there. I even delivered a parcel to his daughter from the Senator. I remember the kind moments that the Senator and I had together following that trip discussing his family and mine.

On behalf of all my colleagues in this Party I must say that we have lost a distinguished Canadian and, I think for most of us, a very warm and endearing friend.

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I want to join in expressing our sympathy on the passing of Senator Maurice Lamontagne and express the condolences of this Party to his family and friends.

One thinks of the many things that the senator stood for. As an example, he called for a Standing Committee on Science and Technology, recognizing the importance of new technologies in our society. Perhaps it is a tremendous tribute to him that the Standing Committee on Miscellaneous Estimates is about to make or has just made that recommendation to the House. I think that is a very good testimony to him.

[*Translation*]

I also knew him as member of the Special Joint Committee on the Constitution, and he has always presented the fair and constructive federal position on the future of Canada, on the Constitution and on federalism.

[*English*]

On behalf of this Party may I express to his family and friends our deepest sympathy.

• (1510)

[*Translation*]

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I too would like to add a few words because Senator Lamontagne and I were co-chairmen of two joint parliamentary committees.

[*English*]

I would like to say, Madam Speaker, that I probably had closer contact with him than most other people now in this

Chamber, since we jointly chaired one parliamentary committee on the Constitution and for a considerable time another one.

I believe he is one of the outstanding minds which I have come across in Parliament. He was able to turn his mind not only to his principal subject of economics but also to any other subject which was at hand. In addition to that, he was a thorough gentleman. He was a faithful friend, a good companion, and much beloved of those with whom he was in contact.

I would like to extend my regards, and those of others from this House who served with him on committees. To his wife and family, our most sincere sympathy.

[*Translation*]

Madam Speaker: I believe that Hon. Members will want me to express the condolences of all members in a letter to the family of Senator Lamontagne on the occasion of the deep bereavement suffered by the family. If I may, I should like to express my personal admiration for Senator Lamontagne whose career has been so widely acclaimed by many parliamentarians and the general public. It is always hazardous to try to sum up someone's career, but I think that the least that can be said about Senator Lamontagne is that he was a firm believer in national unity and that, above all, he strove to find ways and means to cement that unity which is so essential to the various provinces of Canada.

On your behalf and in my name, I offer our heartfelt condolences to the family of Senator Lamontagne.

ROUTINE PROCEEDINGS

[*Translation*]

CANADIAN AVIATION SAFETY BOARD ACT

MEASURE TO ESTABLISH

Hon. Jean-Luc Pepin (Minister of Transport) moved for leave to introduce Bill C-163, an Act to establish the Canadian Aviation Safety Board and to amend certain Acts in consequence thereof.

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

* * *

[*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. 4,577, 4,862 and 4,863.

[*Text*]

CMHC—DISPOSAL OF PROPERTIES

Question No. 4,577—**Mrs. Cossitt:**

1. Does the Canada Mortgage and Housing Corporation list the properties it has repossessed due to defaults on mortgage payments with (a) multiple listing brokers (b) trust companies (c) any other type of real estate agent?

2. Does the Corporation call tenders for the listing of these properties and (a) if so (i) is it a public or an invited tender (ii) what were the complete details of all tenders called in the Constituency of Leeds—Grenville for the past five years, including the names and addresses of those who tendered, the amounts tendered and the date of tender (b) if not, for what reason?

Hon. Roméo LeBlanc (Minister of Public Works): I am informed by Canada Mortgage and Housing Corporation as follows:

1. (a), (b) and (c) CMHC lists single units and small multiple unit projects for sale on MLS through local real estate boards. Where MLS is not available, properties are listed with active brokers in the area who are members of the local real estate board. Large multiple unit projects are offered for sale to the private sector through requests for proposals from potential, interested purchasers through advertisements and direct mailings.

2. (a) No. (i) and (ii) N/A. (b) The large volume of individual units handled by CMHC prohibits the calling of tenders for individual units. The request for proposal technique has proven to be the best method of disposal of large multiple unit projects to date.

DND—CONTRACT WITH AVIATION ELECTRIC LTD.

Question No. 4,862—**Mr. McKinnon:**

Is the Department of National Defence spending $17,700,300 under two separate contracts with Aviation Electric Ltd. to provide aircraft accessories and aircraft accountable advance spares and, if so, for what aircraft are the spares and accessories?

Hon. J.-J. Blais (Minister of Supply and Services): The Department of Supply and Services awarded on behalf of the Department of National Defence two contracts to Aviation Electric Ltd. relating to 21 different aircraft types as per the attached list.

Repair and Overhaul Service	$13,700,000
Accountable Advance Spares	$ 4,300,000
Total	$18,000,000

Aircraft

CF 104 Starfighter
CF 101 Voodoo
CF 116 Freedom Fighter (CF5) (includes Bleed Valves)
CR 114 Tutor (CL-41) (includes Bleed Valves)
CC 115 Buffalo (DHC-5) (includes Fuel Controls)
CC 130 Hercules (C-130)
CH 135 Twin Huey (CUH-IN)
CP 121 Tracker (CS2F-3)
CH 124 Sea King (CHSS-2)
CT 117 Falcon

CC 113&A Labrador & Voyageur
CC 137 Bœing 707
CT 133 Silver Star (T33)
CH 136 Kiowa (COH-58A)
CC 129 Dakota (DC3)
CP 140 Aurora
CH 147 Chinook
CT 138 Twin Otter (DHC-6)
CT 134 Musketeer
CC 109 Cosmopolitan (CL66)
CH 118 Iroquois (CUH-1H)

EFFECTIVENESS OF FLOCCULANTS

Question No. 4,863—**Mr. McKinnon:**

Is the Department of National Defence, rather than some other Department, paying $142,656 to establish the principal parameters governing the effectiveness of flocculants to remove particulate matter in coal washery effluents and provision of criteria for the preparation of superior flocculants for specific application and, if so, for what reason?

Hon. J.-J. Blais (Minister of Supply and Services): The contract was awarded by the Department of Supply and Services on behalf of the Department of Energy, Mines and Resources, and not the Department of National Defence.

[*English*]

Mr. Smith: I would ask that the remaining questions be allowed to stand.

Mr. McKenzie: On a point of order, Mr. Speaker, I would like to ask the Parliamentary Secretary about a question I placed on the Order Paper on November 18, 1981. I raised this question last week; it is question No. 3,441. It is with regard to the three Cabinet Ministers who took three JetStars to Winnipeg on the same day.

The reason I am raising it so soon again is that the Minister of Transport (Mr. Pepin) is supplying the manifest information to members of the news media but is refusing to supply the information to Hon. Members of Parliament. I would ask the Parliamentary Secretary to make inquiries of the Minister of Transport, and could he inform me what the Minister is going to do about it?

Mr. Smith: Mr. Speaker, I cannot advise the Hon. Member what the Minister will do about it, but I will assure my hon. friend that I will take it up with the Minister and convey the Hon. Member's request to him.

Mr. McKenzie: On a further point of order, Mr. Speaker, in this question to the Parliamentary Secretary I asked who they were transporting on these aircraft. I was wondering if the Parliamentary Secretary would inquire whether the three Ministers were taking relatives to Winnipeg or were they transporting Liberal campaign workers to work in the provincial election of 1981 in Manitoba?

Mr. Smith: Mr. Speaker, I will raise these concerns with the Minister.

Mr. Deputy Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CANAGREX

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Whelan that Bill C-85, an Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products in Canada, be read a third time and do pass.

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am very pleased to be taking part in the debate on third reading of this Bill, and I am looking forward to the moment when the question will be put. We are going to have a chance to do something positive for Canada. This will be another step towards a stronger Canada and a more prosperous future.

This morning, I was very pleased to hear the Member for Elgin (Mr. Wise) express his agreement with the principle of Canagrex. It is a fact, Mr. Speaker, that, with a few exceptions, we have varying views on the way this Bill should be implemented. However, I wonder who understands agriculture and the farmer. Is it the consumer? Is it the editorial writers or the organizations that stand up for the rights of farmers in this country?

Mr. Speaker, I think that those in the best position to judge are the large organizations that defend the interests of our producers. When I sat on the Standing Committee on Agriculture, almost all of these organizations supported this legislation aimed at exporting Canadian agricultural products throughout the world. I noticed that all provincial organizations and the Canadian Federation of Agriculture and almost all its branches were almost totally in support of the Bill's concept.

Nowdays, it is fashionable to be aggressive and to criticize pratically everything. However, if we are to progress, we must make constructive decisions and have confidence in the future. This legislation is based on the confidence we have in our farmers, processors and business people, and on our confidence in our natural ability to produce and market even more than we are doing at the present time.

This legislation offers Canadians in the agri-food industry a set of new mechanisms that will help them compete on foreign markets. These objectives deserve our support, Mr. Speaker. On many occasions, the Minister has said that he would like to see an agricultural export corporation very shortly. He has said this so many times and for so long, that some people wondered whether the Bill would ever be passed at all. Quite sincerely, I am very glad to see that we are now seeing the light at the end of the tunnel, and that Canagrex has almost become a reality.

Canagrex

Mr. Speaker, the Standing Committee on Agriculture sat for four months. We have been sitting for hours to consider the third reading and final stages of this legislation. Thirty-two or 37 different groups took part in our discussions. All the major organizations contributed their ideas, and today, I must say that, as I said earlier, all the provincial federations, all those who are in fact working in the agri-food industry, are practically unanimous in saying that the corporation is necessary. Once again, I would like to say that we have some differences as to the implementation of this legislation, but it would seem that on the whole, most people approve of this legislation, which will have a very positive effect on the agricultural industry.

• (1520)

With a $12.3 million budget for three years, a Board of 11 Directors and a staff of 20, Canagrex will be a small but powerful corporation whose main role will be to act as catalyst between foreign buyers and Canada's producers, processors and exporters. It will be particularly useful to small businesses by helping them steer through the uncharted waters of new foreign markets. As one of our colleagues from Prince Edward Island so aptly put it last week, we in this country have major organizations which look after our main crops, but we also have very remote regions which need that assistance to be more dynamic, more productive, and to export more. During his trips abroad, the Minister soon became convinced that there was a need for such services, and he constantly noticed that a demand for our food products did exist. Unfortunately, nothing was being done to translate that demand into export orders. No one bothered to find out whether the necessary measures were being taken to identify those markets and follow through to the final sale.

The Minister is not saying that our export efforts have failed, for Canada's agricultural food export industry is strong and flourishing, as evidenced by the fact that last year we exported close to $9 billion worth of agricultural products and had a trade balance surplus of $3.1 billion. In spite of that, a number of sectors of the agricultural food industry throughout Canada could be improved if appropriate steps were taken to find new markets for our increasing production.

Canada needs exports because they are at the core of our economic activities. They are vital for our economy as a whole. Since our domestic market is rather small and cannot absorb everything we can produce, we must have foreign markets to achieve our full productive capacity as a nation and as individuals. In addition, Canada being one of the three or four countries which export more food than they import, it has the obligation, generally speaking, of helping others who increasingly suffer from famine. On a per capita basis, we have five times more agricultural land than the world average. It would be a shame to leave that land fallow when hundreds of millions of people are going hungry and would like our food.

I should think there is no need for me to dwell on these points because they are rather obvious. I would simply like to mention a few features of the new corporation and emphasize the guarantees that Canagrex will continue to serve the agricultural food industry.

As Hon. Members know, Mr. Speaker, the purpose of Canagrex is to promote, facilitate and, to a limited extent, engage in exports of agricultural and food products. Most members of the Board of Directors of Canagrex will come from the private sector and the President will be responsible for the operations. He or she will be on the Board of Directors and will exercise the duties assigned to the Board.

Canagrex will help private businesses as well as marketing councils and co-operatives in various ways such as financial services through loans or guarantees, advertising, consultation and information facilities, the search for markets, joint undertakings, as well as through grants or contributions to help develop and promote products, and provide the necessary infrastructure. Practically every group which appeared before the Standing Committee agreed on the need for Canagrex to provide credit, advertising and market identification services. Other groups, however, questioned the need for Canagrex to engage in the export trade. They feared that such an initiative could result in unfair competition with the private sector. I believe that those concerns are adequately met by the amendments to the Bill, as I intend to demonstrate.

In addition to the fact that most members of the board will be appointed from the private sector, a Policy Advisory Committee will be established. It will include representatives from all parts of the Canadian agri-food industry. Thus, Canagrex will benefit from the experience and the advice of the private and public sectors. Canagrex will not import, export or process products on its own initiative. It is not a marketing cooperative. Its services will only be provided on a voluntary basis. The most important amendment made to the Bill is probably the restriction placed on the powers of Canagrex to engage in the export trade. The Bill clearly states that Canagrex will not engage in the export of Canadian agricultural and food products to other countries except from state to state or in cooperation with, at the request of or jointly with the private sector.

It should be noted, Mr. Speaker, that the Canagrex concept is similar to what many other countries have already done to increase their share of the agri-food export market. As the Minister of Agriculture has pointed out this morning, we already have in Canada large organizations for the grain industry, such as the Canadian Wheat Board in Western Canada. This sector of the agricultural industry is very well organized and the Canadian Wheat Board has the same powers to purchase and export as Canagrex will have. Moreover, Mr. Speaker, I find it surprising that so many Members opposite are shocked that the Minister is making a praiseworthy effort to give Canagrex the same privileges and the

same rights so that it may increase our export trade throughout the world. This is not a plot aimed at taking over the industry, as several Members opposite have said, but rather a response to meet acknowledged needs. I am firmly convinced that Canagrex will meet a real need and that it will give Canada the means to fill the ever increasing gap between the Canadian agri-food sector and our competitors. Reference was also made this morning to other countries which use similar instruments and are becoming increasingly aggressive on the export market.

I noticed recently that England, France, the United States and Mexico now have legislation to provide similar tools to Canagrex and are becoming increasingly aggressive on the export markets. In Canada, we are told to be very careful and to ask other people to deal with the problem. I am not blaming the system, Mr. Speaker. In the past, many people have tried to export our agricultural products, and as I said earlier, who knows agriculture better? Is it the merchants, the farmers or the agricultural organizations? I seriously wonder, Mr. Speaker, whether the major agricultural organizations are really more knowledgeable about the needs of the Canadian farmer and the needs of the export and foreign markets.

So, personally, I am not distressed about the fact that powers are to be given to that corporation, and that such powers will also be restricted. The day Canagrex will be going abroad to identify trading opportunities, it will inform all the producers and processers who are in a position to develop such opportunities by themselves, in co-operation with Canagrex.

It is clearly provided in the Bill that Canagrex will not handle products that come under the jurisdiction of the Canadian Wheat Board or the Canadian Dairy Commission, so long as it has not been requested to do so. Whenever this will prove useful, Canagrex will resort to existing government services, such as those of trade commissioners.

I would like again to deal with the matter of checks on Canagrex activities, and suggest that this House has no cause for concern over the powers which will allow Canagrex to discharge the following responsibilities. First, Canagrex will have to identify and supply information on markets, and supply promotional information services.

• (1530)

Mr. Speaker, I see no production problem in this country at present, but we do have selling and exporting difficulties. I appreciate the fact that Canagrex will provide promotional and informational services that will be very important to farmers, namely with respect to the granting of loans and guarantees and the underwriting of insurance. When I was working with the Standing Committee on Agriculture, I have been aware all along that several of my colleagues were suggesting that Canagrex, or whatever corporation is to be established, should grant loans, assign guarantees and underwrite insurance. In my view, those requirements are essential to that corporation's efficiency, because on export markets now the majority of our producers do not have the know-how and expertise needed to penetrate those markets, and often those who have tried in the past, for a lack of know-how or information, have simply gone bankrupt or otherwise obtained contracts that were not profitable, where buyers failed to pay their debt or failed to pay for the products that were purchased.

Canagrex should also enter into joint ventures with private companies. It will act as a Crown agent in the negotiation of contracts between governments. The trend today in international trade, is for nations to deal on the government level. We have seen how North-African nations, other Arab countries and even Mexico, and the USSR are increasingly anxious to deal directly with government-controlled corporations. So, in my view, it is in Canada's best interests to have this corporation, which will be limited, which will have an annual budget and which will be subject every year to the Auditor General's examination.

Therefore, I want to suggest to my colleague opposite that both the grain industry and the Canadian Dairy Commission will remain outside the jurisdiction of the Canagrex corporation. Whenever Canagrex will be collecting products for an export contract, it will use public adjudicators and act in such a way as not to affect the competitive position of any agri-food export operation. It will not duplicate the work of the Canadian Wheat Board, as I said, nor that of the Canadian Dairy Commission. It will handle products falling under these organizations only at their request.

Five years after its inception, the performance of Canagrex will be subject to a complete review by the Standing Committee on Agriculture. As a further guarantee, as I said, the Auditor General can proceed to an exhaustive audit of the corporation's operations.

Indeed, in his latest report, the Auditor General has already pointed to the merits of Canagrex which, even before being established, was already taking very practical steps to become very dynamic and eliminate any concern it may have aroused.

To my mind, those clauses provide an overall protection for the private sector and the taxpayers. Indeed, we have taken the necessary steps to make sure that Canagrex will exercise its powers in a responsible manner.

Canagrex will provide tremendous opportunities especially with regard to products other than our traditional exports—wheat, feed crops, oilseeds and meat. A few commodities identified in joint studies carried out by Agriculture Canada and Industry, Trade and Commerce also include maple syrup, field peas, honey and other horticultural products.

I should like to add, Mr. Speaker, as one of my colleagues has said it so well last week, we have many productions in this country, especially at the horticultural level where producers, as opposed to other areas, have a surplus and they will now be in a position to be more dynamic on world markets. And also

consider Mr. Speaker, that Canagrex should be most helpful with respect to all commodities especially in the central and eastern areas of the country so that we may become more dynamic on export markets and help reduce our trade balance.

Mr. Deputy Speaker: Would some Hon. Members care to address questions to the speaker who has just resumed his seat.

[*English*]

Mr. Wise: Mr. Speaker, I rise on a point of order rather than to question the Hon. Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne). I do so in an effort to expedite the debate this afternoon. I have had some discussion with the Minister of Agriculture (Mr. Whelan). We would like to propose that our two or three remaining 20-minute periods this afternoon before 5.45 p.m. be split so that we can put forward two speakers. I recognize that the Minister or any Member of the House will reserve his or her right to utilize ten minutes in the form of questions. As far as House rules are concerned, Mr. Speaker, I realize that you have some difficulty with that. The responsibility would be placed on Members of my Party to discipline themselves and to watch the clock.

We would have to proceed on the basis of unanimous consent. Discussions have been held, and I think the Minister would agree with that proposal. If the House agrees, we would appreciate it very much.

Mr. Whelan: Mr. Speaker, we have no objections on this side as long as they divide the 20 minutes amongst themselves and agree not to use any more than 20 minutes between the two speakers.

Mr. Riis: Mr. Speaker, we are quite prepared to support this recommendation in order to provide an opportunity for the maximum of speakers on this critical topic.

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, first I want to congratulate the Hon. Member for Elgin (Mr. Wise) the agriculture critic for our Party, for doing such an outstanding job in the presentation of the facts with respect to his position, our Party's position and the farmers' position as it relates to Canagrex. I believe it was a forthright and courageous statement which was presented with a great deal of integrity. I support his position totally.

The last speaker stated that Canagrex has but $12.6 million as a budget. Having been in the House for some 10 ten years now, I am very well aware of the fact that there are two ways by which that budget could be supplemented indefinitely at any time when it suits the Minister of the day. With approval from Treasury Board, he can get any additional amount of money which may be required and we shall later consider it in Supplementary Estimates. Therefore, the $12.6 million is not a constraining factor at this point in time.

Second, the Hon. Member referred to instruments of legislation which are applied in the United States in situations which require public treatment for the disposition of agricultural products. Yes, they have them but not in the socialistic form in which they now exist in Canagrex. Any suggestion that they are in such a form there is entirely deceptive as far as the public and Canadian farmers are concerned.

I think it is interesting to note that the Hon. Member for Yorkton-Melville (Mr. Nystrom) has agreed that he will support this Bill. At the same time he has expressed certain reservations about the fashion in which it will be done. He pleads for caution and good judgment in the administration of the Bill after it is passed. In fact, he reflects the position which many farm organizations in the West, particularly in Saskatchewan, have taken in their reserved judgment as to what the real value of this Bill is. I think the Minister of Agriculture would be very well advised at this time to give further consideration to the reservations expressed by the Hon. Member for Yorkton-Melville and a multitude of other farm organizations. If the Minister would reflect on the minutes of the meeting, he would see that the New Brunswick Potato Agency expressed strong opposition to the opportunity which this Bill would extend to the Government. It did not want the joint venture aspect of this Bill. It does in fact support the principles which this Bill suggests but it does not support the vehicles which we are legislating to make the Bill active. For instance, I have been pressing since my earliest Agriculture Committee meeting in this House for an international capability for the extension of our trade in agricultural products abroad. I strongly disagree with the vehicle which the Minister is going to use. In discussing this particular facet of the Bill I will explain my objections. I pleaded for more agricultural representation in the consulates of the world to represent Canadian trade. In 1972, in the earliest Agriculture Committee which I attended, I was advised that Canada has one full-time agricultural representative in our consulates abroad. We had just one.

• (1540)

I will acknowledge that there has been a further extension of that service and that we do now have some five official representatives in our embassies abroad. As well, we have some seconded people and some part-time people representing agricultural trade abroad. But we are still not universally represented for trade in this agricultural world which demands food.

I do in fact support the principle that we put greater emphasis on the international trade aspect and the extension of that capability world-wide. I do not support the concept that we put two bureaucracies in place which will find themselves in conflict, one from Agriculture and one from Industry, Trade and Commerce, or whatever Department now looks after that in this confused state of portfolio responsibilities.

I do support the principle of export credits and the principle of export insurance, but I do not support the concept that this should be extended to a Crown corporation. I think rather that it should be extended to traders in food in Canada who are recognized in the rest of the world. I do not suggest that it should go through a Crown corporation.

I do suggest to you, Mr. Speaker, that we need these three things. I repeat, we need export credit, export insurance and

agricultural expertise in our consulate representation abroad. We do need a capability to facilitate, to expedite and to finalize certain trade opportunities, but not a Crown corporation of the magnitude that is being put in place. I do suggest that we need influence for orderly markets, but I do not suggest that we legislate upon farmers of this land the criteria by which they may be able to produce and trade, which is what this Bill will do.

The Minister has tried to hide behind the fact that he really will not be doing much buying and selling, that he will not be getting any land, that he will not be producing anything, yet he insists on a joint venture. This is an indirect vehicle for the acquisition of land and the production of crops. That is the mildest way in which we can describe it. This Corporation will also allow the extension of this capability into the processing, marketing, buying and selling. The whole field of agriculture is engulfed. The Minister has been extending unto himself the capability of participation in agriculture from the sod to the starving millions of this world in every aspect of agricultural production, management, processing and sales. I do not like that aspect of this Bill.

I want to draw to the Speaker's attention and to the attention of this House that virtually every agricultural ministry in every provincial Government in Canada has expressed reservations. While supporting the three principles which I first enunciated, these ministries have asked that he amend and qualify the method of application and eliminate some of the vehicles the Minister proposes to put in place, particularly as it relates to joint ventures and to the Crown corporation.

The Minister has become personal when he referred to the Hon. Member for Provencher (Mr. Epp). I, too, have had conversation with the gentleman to whom the Minister of Agriculture (Mr. Whelan) referred, and he did, as I do, agree with the principles contained in this Bill. But the Hon. Member objected to the method of application of the principles to the field of agriculture and their invasion of the privacy of the farmer, the marketing board and the market in general. This we cannot tolerate, and the misrepresentation and reflection upon a Member of this House is something which we hope to see no more.

Mr. Whelan: I rise on a question of privilege, Mr. Speaker.

The Hon. Member is imputing motives in saying that I said something that would degrade anyone at all.

Mr. Deputy Speaker: Order, please.

Mr. Whelan: Just a minute, Mr. Speaker.

Mr. Deputy Speaker: Order, please. The Minister is entering into an argument with regard to what was said or not said. I believe we have an agreement with regard to time. There will be a period for an exchange of questions at the end, and I suggest the Minister reserve his comments until then. The Hon. Member for Carleton-Charlotte (Mr. McCain).

Mr. McCain: Mr. Speaker, in closing I simply want to say, as I leave the next ten minutes to the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan), yes, help finance, help insure, help market but do not enter farming through joint ventures. Do not put in place a Crown corporation. Do not get into buy and sell activities. It is the vehicle to which the farmers have objected, not the principle.

Mr. Pat Nowlan (Annapolis Valley-Hants): Mr. Speaker, I want to thank the Hon. Member for Carleton-Charlotte (Mr. McCain), the Minister of Agriculture (Mr. Whelan) and the Hon. Member for Elgin (Mr. Wise) for the House order so that more Members can participate in this debate under this closure motion until the bells start to ring at 5.45 p.m. Admittedly, a 20-minute loaf is better than a ten-minute loaf, but usually I like the full loaf. Usually I do not have notes and take my full time. This is a ten-minute rule which I do not want to abuse. I want to say though that it is a very innovative procedure that should be adopted more often. It allows more Members to speak when this type of restrained debate is in place. I thank the Minister very much for this order and those Members who co-operated.

I want to say very briefly, and without trying to cause any problem in the House in the ten minutes I have allotted to me, that the Government, in my humble opinion, has been erroneous in its defence of Canagrex on three major points. First, the Government has suggested that the agriculture industry needs a Crown corporation as extensive as Canagrex and that it ought to play that great a role in the industry.

Second, the Government has assured the House and the public that under the provisions of Bill C-85 Canagrex will be sufficiently accountable to Parliament and that it will not become another expensive drain on the public purse.

Third, the Government has claimed that the majority of the agriculture industry in Canada is in favour of Canagrex as it is now proposed. I am not talking about principles but all the details that are in the Bill, many of which my friend from Carleton-Charlotte has touched upon.

I suggest to you that these three areas, these assertions of the Government, are highly suspect. They are in reality traverses of the truth, figments of fabrication and really do dishonour to honesty. I suggest, Mr. Speaker, that the agriculture industry is not in need of a brand new corporation with such extensive potential for intervention.

Virtually all Parties in the House recognize the fine track record of private export and marketing endeavours to date. They also recognize the potential for even further improvement of marketing and export management. Thus there is room for a government body, no doubt about that, to come in and play an important role, and we, the Opposition, have endorsed those portions of the Bill that "promote and facilitate" powers in the Canagrex Bill. We have supported ideas of credits and insurance, but we refuse to endorse the provisions of the Bill which would allow Canagrex to engage in the buying and selling of agricultural products.

Much has been said on the topic of these powers. The issue came up in committee, and indeed the Government has accepted amendments that would restrict these powers in part,

but are they restrictive enough? The restrictions do not alleviate the concern that Canagrex may end up participating in the agricultural market not only as a facilitator for private deals, as the Government suggests will be the case, but also as a direct participant itself. We, the Opposition, are not satisfied that such concern is sufficiently alleviated. The powers are there and they can be used. If they can be used, in our humble opinion they can be abused.

• (1550)

Subsection 4(1)(d) as reported from committee allowed Canagrex to "enter into contracts with foreign governments to provide agricultural products", and to "enter into subcontracts with Canadian enterprises or individuals . . . for the provision to foreign governments of any of the products and services that Canagrex has itself contracted to provide".

Deciphered somewhat, this subsection allows Canagrex to engage in extensive buying and selling of agricultural products. Perhaps this is a far-out example but let me put it in far-out terms so that we understand what we are doing. If Canagrex contracted to sell five mangoes to the Government of Upper Volta—my voice is somewhat hoarse today; I need a mango to clear it in view of the activities of the last few days—it would then have the power to make good that contract by buying those mangoes from Canadian producers. This may sound relatively harmless. But what if the Government were to contract to sell Upper Volta not five but five million mangoes and chose to purchase them exclusively from the mango producers of one Province or region? I am using mangoes as my example so that I will not have to worry about casting aspersions on any part of the productivity of the country, because I do not think we produce a heck of a lot. The potential implications of Government participation in buying and selling become more clear. Alternatively, what if Canagrex were to decide to seek bids from Canadian producers to supply the mangoes? The result would be increased domestic competition among Canadian producers that would drive prices down. Canagrex could also wind up taking profits which would otherwise end up in the hands of producers.

Perhaps the Government will tell us that Canagrex is not designed to do any of this, that it is not within the spirit of Bill C-85. This is what the Government has more or less said. We all know, if the power is there under the letter of the law in the Bill, that potentially it can be done.

In looking at legislation, legislators have to look at any new Bill to see what its potential may be, not just at the best wishes of the Minister no matter how sincere, assuming the best wishes and sincerity of this Minister. We have to look at the letter of the law in the Bill to see what is its potential, and we say that the potential is there.

In the case of Canagrex, the Government tells us that the corporation will use its buy and sell powers only in very narrowly defined ways. However, the Bill as it now stands would enable a Crown corporation to play a significant trading role in the agricultural markets of Canada. We know too well how governments like to expand and increase their powers. For example, let us look at Petro-Canada which was supposed to be a window on the industry, a minor observer in the petroleum world. Now it has become a major participant in the petroleum industry itself. We have seen other examples of extensive government intervention in all sorts of industries, and that is our fear here.

We are very much against the buy and sell provisions. The proposed power to enter into joint ventures is not as harmless as the Government would lead us to believe. Again the problems of patronage and favouritism could arise. The potential is there. Any businessman knows that a government agency is a powerful competitor. The absence of strict profit-loss motives and the access to public funds give government corporations a decided advantage over other firms in an industry. Therefore, by picking and choosing its partners in joint ventures, Canagrex could promote the welfare of certain produces while hurting others.

In short, the restrictions placed upon the powers of Canagrex to buy and sell agricultural products are not sufficient. The simple fact is that the Government could still become a trading partner in the agricultural export business and an active producer and processor in the domestic industry. We cannot allow the Government to extend another long and harmful tentacle into the private sector which, ironically, is a sector that is basically productive. There are problems but it is alive and well without Canagrex. With Canagrex our fear is that even with the best of intentions it could become the chloroform of the industry rather than the catalyst for growth which is so necessary.

There is a temptation for Ministers here in Ottawa at the head of large Departments to think that they know best. We are very much against that concept. We believe that the industry itself should be the judge. In representations before the committee there was agreement in principle on the need to facilitate and promote but a real question about the buy and sell provisions.

Let me draw a comparison with another industry that has not really been debated in the House. I know my time is almost up but I would like to look at the fishing industry. We all know about the Kirby Report. The fishing industry recently confronted the question of whether there should be significant government participation or intervention. The Kirby task force recently examined this question. The federal Government pushed for the creation of a Crown corporation, presumably one similar to Canagrex. However, the majority of participants in the fishing industry opposed such extensive government participation. They realized that they were better off keeping the Government out of their business operations wherever possible.

In its final report, the task force recommended the creation of an Atlantic Fisheries Marketing Commission to promote and co-ordinate market development with "minimum government involvement". This was a sound recommendation. It would have enabled the Government to facilitate marketing and exporting without being an active trader in the market. We, the Opposition, could accept a comparable role for

Canagrex. But Government members want a greater role in the agricultural industry, a greater role, ironically, than was created in the fishing industry. As a result, they have reserved judgment on the task force recommendation for a commission in the fishing industry. Indications are that they are unsatisfied with the amount of government control such a commission would provide and would only accept the commission if they saw it as a starting point from which they could eventually establish a full-fledged Crown corporation to meddle in the fishing industry. So far the fishing industry has resisted excessive government intervention in its sales management, and we must help the agricultural industry do the same. We can do that if we do not support the present Bill.

In my remaining two minutes there are two other matters upon which I would like to touch. They have been dealt with generally, as we have dealt with most of these issues, but I appreciate the chance to speak as I have not spoken on any stages of Bill C-85. There are other Hon. Members who were more involved in committee stage. I appreciate and respect that, but I also appreciate the chance to ventilate a few views today. There are two other flaws, in my humble opinion, in the Government's defence of Bill C-85. First, Hon. Members opposite assure us that Canagrex would be sufficiently accountable to Parliament and would not become yet another drain on the public purse. We are very apprehensive about that, regardless of the low initial budget and the best of intentions. I accept the best of intentions, but we only have to look at Canadair and some other Crown corporations to see that with low initial payments moneys have got out of control.

Second, the Government assures us that agricultural industry is largely in favour of Canagrex as it exists in Bill C-85. We do not accept that. Of the 32 groups that appeared before the Standing Committee on Agriculture to present their views on Canagrex, 20 were either opposed completely to the corporation or had reservations. These are some of the matters that I would like to discuss and that I find very unfortunate, but being in a very temperate spirit today, I will not even start talking about the club of closure which cuts me off at this time.

Mr. Whelan: Mr. Speaker, I have only a couple of questions for the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan). He must be aware that the Government did not suggest Canagrex. Farm organizations suggested it. Also the Hon. Member referred to the fishing industry. Surely he is aware of the very successful Saltfish Corporation which has been in operation for several years. It is an ideal situation, as the Hon. Member will see if he wants to look at it and see how well it works. Is the Hon Member aware of the Saltfish Corporation?

Mr. Nowlan: Mr. Speaker, to answer both questions, I am most aware of the Saltfish Corporation. I was here when the matter was debated.

Mr. Whelan: So was I.

Mr. Nowlan: Mr. Kirby looked at the total fishing industry. The recommendations are there. The fact of the matter is that we have an interesting paradox between what the Government is doing with Canagrex by creating a Crown corporation and the fishing industry. I am not talking about all the things which have been created. I am not making the case that there should not be Crown corporations in many areas. As the Minister stated in the debate, many Crown corporations are providing a good and fundamental service and are fulfilling a need which could not be fulfilled by the private sector.

• (1600)

In terms of agriculture, which is the most independent incentive-oriented individual industry in the country, our position is that we do not need the heavy hand of corporations to such an extent, which comes to the first question. Yes, I am aware, as the Hon. Member for Elgin (Mr. Wise) said earlier today in answer to a question from the Minister, that there was a concern and a need to have some type of assistance in export credits and export insurance and to facilitate marketing but, as the Minister well knows, no one from this side suggested we have the buy-and-sell or the joint venture.

[*Translation*]

Mrs. Eva Côté (Rimouski-Témiscouata): Mr. Speaker, today we are continuing the debate on Bill C-58, to establish the Canagrex corporation. I would like to start by quoting Mr. William Jenkins, former dean of the Agricultural College of Nova Scotia, who said in an interview in 1981, and I quote:

> In the Atlantic Provinces, exporting agricultural products is like a battle. It is every man for himself, a very primitive way of selling anything . . . It is an almost chaotic state of affairs.

Canadian agriculture cannot afford this kind of situation, and that is why today, Mr. Speaker, we are considering the third reading stage of legislation to create a Crown corporation to be called Canagrex, and the purpose of this legislation is to provide for an effective mechanism that will help Canada find its true place on the international market for agri-food products. The corporation will be structured very carefully to provide for joint action by both public and private agents in the industry. It is not an attempt to take over the industry, as some Hon. Members have suggested or claimed. Canagrex will be a mechanism used by the industry in situations which historically have been obstacles to progress. It will provide financial, promotional and technical assistance and will also be used to facilitate identification of markets. Canagrex will be in a position to create markets, not to obstruct their development. Canagrex will therefore help Canada to provide, for the first time, a co-ordinated approach to its export markets. It will seek out new opportunities both for exporters that have been traditionally involved in the business and for newcomers to this field. In other words, Canagrex will make it possible for Canada to increase its profits on international export markets and to increase job opportunities within this country.

I cannot believe that the Official Opposition could be against this concept. One of the most attractive aspects of this legislation is the fact that thanks to the new corporation, new exporters will be helped to get started in the business, and this will increase the variety of Canadian agri-food products available on export markets. Finally, Canagrex will be taking a very active interest in new exporters without harming those already in the business. It is clear that Canagrex will be acting only as a co-ordinating body when it meets requests for assistance from those engaged in the export business or those who intend to enter this field.

Canada's potential in the agri-food export field is unlimited but it has not been developed as well as it could be. We have the resources here in this country for truly taking advantage of our potential in an area which has often been thought of as too hard to "crack". We must know where our real potential lies. From there on, we can set our objectives and concentrate our efforts in order to attain a level of competitiveness that will be hard to beat. That is why I am surprised when I hear people say that the Government is trying to compete with the private sector in the agri-food industry. Nothing could be further from the truth, and to anyone who is still not convinced, I would suggest they read the legislation very carefully and they will realize that this is not the Government's intention. On the contrary, Canagrex will be able to help the farm export industry. We are not trying to take contracts away from the private sector. We want to make it possible for the private sector to grow and continue to play the important part it has played for so many years in the development of our export markets.

I can hardly accept the motion that some people are opposed to the establishment of Canagrex because they fear that the corporation might get involved in the purchase, sale or processing of farm products. The bill limits the use of these powers. Canagrex could be party to a contract only at the request of or in co-operation with a private concern, or if foreign countries showed interest in dealing only on a country-to-country basis. In this connection, please refer to Section 14(5) which states that Canagrex shall not engage in the export of farm products from Canada to other countries except in joint ventures or when acting on behalf of Canada as an agent of the Crown under country-to-country basis agreements.

Moreover, I repeat that most of the 11 members of the Board of directors will come from the private sector. Also, there will be an advisory committee, made up entirely of private sector representatives, which will provide advice and direction with a view to ensuring that Canagrex operates well.

The corporation will function on a three-year plan, which will serve as a basis for its operations and budget. At the end of a five-year trial period, a complete review of its operations will be carried out by the Standing Committee on Agriculture. As the Minister of Agriculture indicated in his remarks, Canagrex will be subjected to a yearly control by the Auditor General, which means that an integrated and complete audit of all its operations will be carried out, something no other Crown corporation is required to have.

I should like to comment briefly on the importance of agri-food products in the context of our foreign trade. Last year, Canada's farm exports totalled $9.6 billion and its market surplus amounted to some $3.1 billion. Nearly 60 per cent of these products were made up of grain and oil seeds. Yet, if we compare the rest of our exports with our total exports, we find a non-grain deficit of some $2 billion. Canada has the resource potential to do much better than that and requires an agency similar to the Canadian Wheat Board to promote the sale of its non-grain products for export.

To increase our agri-food production, we need to develop new markets, and Canagrex could and should play an important role in this regard. We need this co-ordinating entity to ensure the development of our agri-food industry. Canagrex has no intention whatsoever of monopolizing any farm export. It can only use its powers in conjunction with the private sector to promote the export of agricultural products.

I cannot understand how behind the establishment of Canagrex some people can imagine a huge conspiracy to take over or harm the private sector. It is but a myth spread by a minority both inside and outside the private sector and I should like to take this opportunity to urge private enterprise to try to understand the predicament some very specialized producers find themselves in, since they get no assistance and lack the necessary mechanism to export their goods to foreign countries, for the benefit of Canada as a whole.

• (1610)

I would like to quote once again the Canadian Federation of Agriculture, which many have already mentioned. I simply want to remind the Members that last November, during a meeting when it submitted a brief to us, the Federation said that Canada needed an export or agri-food products export assistance agency such as Canagrex that the government wants to create. The Federation also said that this legislation was aimed at producers. All producers are entitled to play a role in the agricultural export trade. By denying them this opportunity, we would be going against democratic principles.

Mr. Speaker, I have listened carefully to the interventions made by Government Members on this side of the House and Members opposite. I have a great deal of respect for the opinions which have been expressed, but it seems to me that, especially in the agri-food sector, the Canadian Wheat Board and the Canadian Dairy Commission have only played a very positive and creative role for Canada. Since their establishment, these two Canadian Government institutions have been the major innovators in agri-food production. They have been at the source of agricultural development in Canada. It saddens me that the opposition can imagine or fear that Canagrex could act against both farm producers themselves

and private companies which are already very successful in this field. I also want to say that the private sector greatly benefits from the international contacts which have been made and will continue to be made by the Minister of Agriculture (Mr. Whelan). In this regard, I shall simply mention his visit to China and Mexico, where new markets were opened for all Canadian farm producers and the private sector, used them very successfully, for which I congratulate it.

In the future, if the Government as such or the Minister of Agriculture acting as an intermediary or Canagrex in its capacity as export development agent can enable the private sector and each farm producer in Canada to be better off, it will be to the advantage of everyone of us.

Mr. Speaker, before concluding, I would like, as Chairman of the Standing Committee on Agriculture, to thank the Members of the Committee on the three sides of the table, if I may put it in these terms. During four months, we discussed this bill with a lot of interest and sometimes with passion, because each of us was very much concerned about what we wanted to see included in this legislation in order to meet as much as possible the needs and interests of agriculture producers. I would also like to thank all the witnesses who expressed their views to the committee. I would like to extend special thanks to the critic from the Official Opposition, the Hon. Member for Elgin (Mr. Wise), who was most helpful since this was my first experience in hearing witnesses on such an important bill. And I thank the representatives of the Official Opposition and of the New Democratic Party who were most effective and who led the discussion in a very positive and constructive way.

In conclusion, Mr. Speaker, I would like to express the hope that this day, June 13, will not be remembered by Canadians only as a sad day, because we have lost a Member of the Senate who has been a Member of this House and who was my neighbour for many years, namely Senator Maurice Lamontagne. Rimouski is only 20 miles away from Mont-Joli, and many Members of his family still live in the Lower St. Lawrence area, particularly in Rimouski. I would like this day to be also remembered as an auspicious day by agricultural producers in Canada. I trust that both the legislation and the regulations which will go along with it will make sure the Canagrex Corporation will be helpful to the agricultural community and will contribute to the wealth of Canada in our international trade.

[*English*]

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, today is the third reading of Bill C-85, and a vote will be forced at 5.45 to terminate debate. Today may or may not turn out to be a good day for agriculture depending on how Canagrex performs. I do not undertsand why the Government is so reluctant to listen to the legitimate concerns that we in the Opposition are expressing on behalf of constituents who send us here to represent their views.

I would like to make two points, Mr. Speaker, in the ten minutes that I have in which to talk about Bill C-85, Canagrex. I would first like to touch on what the Government has been doing to help agriculture. It seems to me to be a sad commentary on the Minister of Agriculture (Mr. Whelan) when he holds Canagrex out as being something that will help the industry when the industry is in considerable trouble and there are many other things that the Government could be doing to help agriculture. New legislation for the the Farm Credit Corporation was passed that included provisions for the agri-bond concept. We have seen nothing of that. In fact, I now hear that the Farm Credit Corporation is becoming very short of funds. A year ago in June of 1982, I heard the Minister say on an open line program in Winnipeg that the Farm Credit Corporation would very shortly have a large sum of money at preferred interest rates because of the Bill that had already been passed. We have not seen any of that.

As well, the Minister has done nothing for stabilization of the red meat industry. The first time that I ever visited Ottawa, this very beautiful capital of Canada, was in 1977 as a representative of the beef industry in Manitoba. At that time, I had the pleasure and privilege of appearing before a Senate committee that was looking into the beef industry. One of the recommendations that came out of that inquiry was that there be a stabilization program. For several years now, the industry has recommended that there be a stabilization program funded by the two levels of Government as well as the producers. The Minister has done nothing about that to assist the industry.

At the Liberal Party meeting which I believe was held in July, 1980, a resolution was passed to the effect that the Government should do something about capital gains. Again, the Government has done nothing about that. The reason I am making these points, Mr. Speaker, is to show that if the Government really wants to assist Canadian farmers and producers to export, it should be doing everything it can to make them competitive at home and to keep their cost down. After all, if we can produce a quality product with a competitive price, we will sell goods abroad. We will not be competitive on the international market if we cannot handle our costs and see that we produce effectively and efficiently at home.

One of the areas that we do have an advantage in is the area of energy. Yet look at what the Government has done to energy. It takes a great, big mark-up on every gallon of gasoline that goes into a farm tractor. That is one of the things that we on this side of the House have talked about for a long time. We want to cut down on the amount of tax taken by the federal Government when farmers burn fuel for the production of food. Yet no action has been taken on that.

It seems to me that if the Minister were really interested in doing something on behalf of the Canadian producer and farmer, he would be interested in talking to the farmer and working with the Provinces. We know that many of the Provinces are not in favour of the provisions of this Bill, particularly the buy and sell provisions of this Bill. We all agree with the Hon. Member for Yorkton-Melville (Mr.

Nystrom) who said that we need to support Canadian agriculture. There is absolutely no question about that.

We have a right to expect support back from the Government, and when I say we, I speak as a farmer. Look at the amount of taxation the Government takes from each farmer or from each acre of land that is farmed each year. It is an astronomical amount of money. To expect that the Government should put some of that money back is not expecting a lot.

I do not have time to go through the powers in Clause 14 of the Bill, but I am sure that every power conceivable was put into that Clause to make sure that the Government, through Canagrex, had as much access to power to purchase as possible. That concerns us. It is the same old story. When a farmer sees someone driving into his yard and that person says, "I am a Government man and I am here to help you", the farmer immediately becomes a little bit suspicious. We all know that farmers work very hard and that they are held accountable to their bankers. They have commitments to meet each year. When it is a Government operation, it is a little different. When somebody else's money is at risk, one does not get quite as involved. It is the same old story. Unless one risks one's own life or money, it is very easy to go through the whole process without becoming directly involved.

• (1620)

That is what concerns us about the buy and sell provision in the Bill. The Minister is kidding himself if he thinks those powers will not be used. If he is putting the powers in there and saying not to worry because they will not be used, that is fine, but if he is sincere, he should be prepared to take the powers away if they are not going to be used.

We can talk about what went on with PetroCan, for instance. It was supposed to be a small operation with a window on the industry to check things out. Now it is exploring for oil using Government dollars and it is checking oil and cleaning windshields. That is not what I understood to be the concept for PetroCan.

The Minister says we have to see what we can do about a $2 billion trade deficit in agricultural products in the country. I agree. We buy a tremendous amount of fruits and vegetables out of season because we cannot grow pineapples and oranges here. Canagrex is not going to achieve a lot in those areas.

I do not think the Minister is listening, Mr. Speaker. He likes to talk a lot but he does not listen very well. We can make sure that Canadian farmers are competitive. The Minister says that with Canagrex it will not be a case of the Government competing against farmers. That may be true, but what concerns me is that there are other programs in place and we do not want to see the Government competing against itself.

I have here the outline of a program in the Department of Industry, Trade and Commerce called the Program for Export Market Development for Food. The application form is quite extensive and applies to many areas that Canagrex will serve. How do we know that when Canagrex becomes operational there will not be a Canagrex Crown corporation competing with the Department of Industry, Trade and Commerce for a share of export markets. With Government competing against Government and the first job of the bureaucracy being to grow, we know that our tax dollars are being used unwisely.

We have a legitimate concern about the proliferation of Crown corporations and the fact that they are not accountable. There may be all kinds of auditing after the fact but in many cases it is too late. We want to make sure that there is accountability up front. It seems to me that encouraging the private sector is the only way to get accountability up front.

The Minister is trying to ram the Bill through, and that is dividing the agricultural constituency, Mr. Speaker. Regardless of whether or not he believes it, we have very real concerns about the fact that the Government is becoming involved in joint ventures and in the actual production of food. Whether or not the Minister wants to admit it, that is the perception of the Bill.

I plead with the Government to remove the buy and sell provision and pass those parts of the Bill that everyone favours. That would be doing a service to agriculture and would enable us to show faith in the Government. It is not too late. I think everyone on this side of the House would agree with taking the buy and sell provision out of the Bill and leaving the good parts in there.

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I should like to take a brief moment to thank my colleagues for filling in and speaking on my behalf on my amendment to the Canagrex Bill, last week. I am glad to see that the Minister of Agriculture is in the House. I must say that I am very disappointed that Motion No. 2 standing in my name has been considered inappropriate and has been disallowed. I am genuinely concerned about that.

My remarks will deal almost exclusively with the implications that flow from this Bill for the beef cattle industry in Canada. I have spent a lifetime in that industry and have concerns that I want to put on the record.

I was disappointed that there was no proper debate on my motion. I understand it was disallowed on a rather trivial technicality. The motion was made in response to what I would describe as almost total support in the beef cattle industry. This was expressed very forcibly in the standing committee by a significant number of associations. The motion would have removed beef cattle and beef products from the legislation entirely. It was as simple and straightforward as that. It seemed it was disallowed because it was included in the interpretation section with two other exclusions already there, namely, fish and forestry products. That seemed the natural place to put it. I have since wondered if it would have suffered the same fate had it been included with two other exclusions in the Bill, dairy products and grain products, in Clause 14(2)(c)(i)(ii) in Bill C-85. I think it is fair to suggest that.

My main argument must be based on what I think is a very clear precedent that I found in the debate on Bill C-176 that took place 12 or 13 years ago. The Minister must have been here then; I was not but I was involved in the public debate at

that time in western Canada. That was the marketing board debate which went on for over two years, 1971 and 1972. At that time a similar amendment was proposed, debated and voted upon. The intent of that amendment was to exclude cattle and calves from the provisions of the Bill. A debate went on for many hours and included at least one all-night session. The important precedent is that this similar amendment was properly debated and the debate is recorded in *Hansard*.

My motion to amend Bill C-85 should have enjoyed the same right of debate in this House. After all, Acting Speaker Corbin ruled on July 29, 1982, as recorded at page 19829 of *Hansard*, that I might be able to present certain arguments in support of the acceptability of my motion.

Mr. Deputy Speaker: Order, please. The Chair has a certain difficulty at this point. The amendment was proposed by the Hon. Member and it was carefully considered by the Chair. The reasons for rejection of the amendment were offered. While I understand how the Hon. Member feels, he cannot reflect on that decision of the Chair.

• (1630)

Mr. Hargrave: Thank you, Mr. Speaker. In any event, I always felt that I personally, although perhaps informally, represented the total Canadian beef cattle industry in these matters and many others as well. I remind the House that almost all the organized beef cattle associations in Canada are vigorously opposed to Canagrex, especially to Article 14 of that piece of legislation, the powers to buy and sell. I make this statement on behalf of the following cattle organizations, all of which supported my amendment and so stated when they appeared before the committee meeting on Bill C-85. They are the Canadian Cattlemen's Association, the Alberta Cattle Commission, the Western Stock Growers Association, the Saskatchewan Stock Growers Association, and a number of other agricultural groups. Before leaving my references to the debate on Bill C-176, the marketing board legislation, I suggest that we could take another look at that debate, which took place many years ago, and consider the possibility of using the referendum or plebiscite approach which finally emerged out of that prolonged debate, which was also very emotional. It provided a way of resolving the difficulties in that earlier legislation. At least in western Canada agricultural producers were required to pass a majority referendum in each Province before such a proposal could be proceeded with. That was a preliminary step before a national board could be proceeded with. That pretty well resolved the difficulties. With only one or two exceptions, no marketing boards have been able to live with that criterion and successfully promote a national marketing board, certainly not in the cattle industry in Canada.

I would like to make a comment about the Canada All Breeds Association. The Minister of Agriculture (Mr. Whelan) has made several references to this. This is a group of enterprising private enterprisers who are centered in Calgary. The managing director is Mr. Tony Saretsky. The Minister knows this gentleman. The Minister has made several comments about this group and I am curious as to what his purpose is because here is a group which had a very tough time getting its organization operating, in the export of livestock particularly. It is finally now operating very successfully. Of course it has the power to buy and sell because it is a private enterprise outfit. It does operate with powers to buy and sell and it must have them.

This group appeared before our Standing Committee, and was totally opposed to Canagrex as we are now debating it. It seems to me that the Minister tends to forget this. This group was not out there promoting Canagrex. It was totally opposed to it. I believe the remarks of the Minister suggest that there is something wrong with the private sector having the powers to buy and sell. However, by the same token, he is arguing that because it does, his Canagrex legislation should indeed be entitled to the same powers. All I can say is, no way. This is not an argument which can be used to support the Government in requiring buy and sell powers. That is where private enterprise should be involved.

I would like to report briefly on the situation in our own Province of Alberta. This information was given to me very recently. It is from the office of our Minister of Agriculture in Alberta. The Alberta provincial Government is adamantly opposed to Canagrex because of the bad experiences it has had with its own Alberta export agency, and it has such an agency. It has had many cases ending up in court over this legislation and Alberta feels that the Government should not be allowed to be involved in marketing, referring to its own provincial Government, of course. This provincial legislation was in place for about four years during which there were nothing but problems. The same Alberta legislation, if it still exists at all, has not been used for over the last six years. This must surely be a clear indication that Alberta will very likely remove that legislation from its own books.

I would also like to make a comment about the remarks which have occasionally come from the Minister and others suggesting that, because the Canadian Federation of Agriculture is supportive of this Bill, some way or other it speaks for all other sectors of Canadian agriculture. I suggest very vigorously, Mr Speaker, that this is not necessarily so. The CFA does not, and never has, spoken officially for Canada's organized beef cattle producers. The Canadian cattlemen's associations, the Alberta Cattle Commission, the Western Stock Growers Association and the Saskatchewan Stock Growers Association, have never been members or affiliated with the Canadian Federation of Agriculture. The Minister should not leave the impression that the CFA is officially speaking for organized cattlemen in Canada. I object very strenuously to that impression.

Mr. Deputy Speaker: Order. The Chair has some difficulty at this point. Would there be unanimous consent for the Hon. Member to continue his remarks?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed.

Mr. Hargrave: Thank you, Mr. Speaker. I would like to read a telegram which I received just the other day from the Saskatchewan Stock Growers Association. It is addressed to me. It reads:

During the Saskatchewan Stock Growers Association 70th annual convention held June 5th, 6th and 7th, the S.S.G.A. membership passed the resolution unanimously requesting that the federal Government withdraw cattle and cattle products from Canagrex. Again we state that Canagrex is redundant and duplicative of established programs. The private sector in conjunction with Industry, Trade and Commerce, has an excellent export performance and will not be improved by the intrusion of a new public agency. We wish to remind the Government that an overwhelming majority of western farm organizations oppose Canagrex. If there is a need for support to implement this legislation in certain sectors, the S.S.G.A. and all livestock groups wish to have their products excluded.

It then lists the various organizations, mostly in Saskatchewan but some in Manitoba, in that same telegram.

I would like to suggest that the Minister's laboured and self-conscious defence of the Government's use of closure, or time allocation, whatever you call it, is rather unimpressive. It does not matter what it is called, whether time allocation or closure, it is a spurious argument by the Minister that in no way changes the fact that the Minister, through his Bill, reduced the Canagrex debate to only two days for report stage and third reading. This same Minister was the hatchet man in the Crow debate at second reading to limit that debate to only one more day. These two pieces of legislation have upset, angered and totally frustrated all of western Canadian agriculture to an extent we have not seen since that marketing board legislation of about 13 years ago.

Canagrex is a nothing Bill which should never have come before Parliament in this form. There are presently under way in western Canada, especially in Alberta, public protest meetings going on regularly, and we have not seen this situation before, where they are protesting in the middle of their farming season to a very serious degree. I would like to close by saying that I will not be supporting this piece of legislation.

The Acting Speaker (Mr. Blaker): Questions and comments? Debate.

• (1640)

Mr. Ralph Ferguson (Lambton-Middlesex): Mr. Speaker, I am very pleased to take part in this third reading debate on Bill C-85. Right at the start I want to place on the record that on second reading this Bill was debated for five days. It was considered in committee, witnesses were heard and amendments were discussed, for a total of 28 days, or 56 hours and 45 minutes. There were two days of debate at report stage, and now we come to the time when we will be voting on third reading and bringing this debate to a conclusion.

I am one of those Canadian farmers who is not at all satisfied with our export market development over the years I have been farming. I was very upset that we have been expected to produce a product with no assurances as to price or quantity required for the export or domestic markets. By contrast, when I look at a June 9 article in *The Globe and Mail* I see that China has ordered wheat from the Canadian Board valued at over $400 million. The article says:

The sale is part of a long term agreement with China that calls for the sale of between 3.5 million tons and 4.2 million tons annually for three years beginning in August, 1982.

What we have in the Canagrex legislation is something which will allow other sectors of the farm economy the opportunity to make long-term arrangements with the purchasing country, thereby assuring them continuity of supply of a quality product. I would like to quote from a letter of Mr. Gordon Hill, the Former Chairman of the Ontario Bean Producers Marketing Board to the Editor of *The London Free Press*. I should point out, Mr. Speaker, that in 1950 and 1951 I was a committee man on that marketing board. Mr. Hill says:

The Ontario Bean Producers Marketing Board was established in 1944. In 1967, by a vote of bean producers, agency marketing came into existence. The Marketing Board has grown in an orderly fashion since its inception and the dealer facilities have also expanded. This growth has resulted in a steady expansion of export business to the point that we currently average about 80 per cent of our $50 million worth of primary sales going into the export market. The beans are currently going to 28 countries around the world with an additional 25 countries participating in food aid.

He goes on to say:

The Ontario Bean Producers Marketing Board feels that with the implementation of Canagrex, additional opportunities for trade will evolve from state-to-state trading, and the identification of new markets.

Canada is recognized, around the world, as a trading nation. Canagrex through its mandate can further develop this position.

Canagrex will be a winner for Canadian agriculture because its formation is a result of requests from grass root agriculturalists—the farmers.

Mr. Speaker, it is very clear that this Bill does have the support of farmers in eastern Canada, contrary to what others have said here today. The President of the Ontario Federation of Agriculture stressed that "the powers which would be granted to Canagrex are not extraordinary. Rather than imposing a threat to free enterprise, it would be most beneficial to smaller agricultural producer groups which normally would not be able to crack the export market". He said Canagrex is absolutely essential if we are to fill the gaping void between our potential to produce and manufacture agricultural products for export and our present performance.

Just last week, Mr. Speaker, I had inquiries from two small processing companies requesting assistance in filling export contracts. Together with them I contacted the various Government Departments and agencies. The word came back to us that as of that date there were no programs available for these two small companies, but the departmental people told me that if Canagrex were in place, that body could facilitate their needs.

There are a lot of areas I would like to touch on in this debate, but there seems to be a perception that Canagrex is going to get involved in primary food production. That is not the case. One of the amendments to Clause 14 in committee was that if Canagrex aquires property for lease or otherwise, it does not include the power to purchase, lease or otherwise acquire real property for the production of fruit, forage, grain,

vegetable or other crops, and so on. Canagrex cannot get involved in actual production for domestic or export, unless it is in coordination with or at the request of other groups who wish the assistance of Canagrex, it cannot get involved in production except for new market development.

The make-up of the board of directors of Canagrex is clearly spelled out in the legislation. Seven of those directors have to come from outside the civil service. But there will be one from each of the Department of Agriculture, the Department of Industry, Trade and Commerce and the Department of Finance from within the Civil Service. I would hope we would have some expertise from the red meat sector. The Canadian Pork Council supports Canagrex, and I would expect they would want to be involved because they are very aggressively going after export markets. I would also hope there will be one from the poultry sector because they are very forward looking as far as export markets are concerned. Perhaps Canagrex will be the missing link we have been looking for to enable us to plan our poultry and livestock production and know that we have continuity of supply for the countries which wish to import the food. Certainly I would hope the horticultural sector would have someone involved in this agency as well. Naturally, we need some business and trading expertise too. I would hope we would have a blend of expertise, people who will work together on the production of food so amply produced here in Canada to supply world markets. I believe there is tremendous opportunity here for Canadians.

I see the Hon. Member for Elgin (Mr. Wise) has just come into the House. I have had inquiries from the Tobacco Marketing Board about the progress of the Canagrex legislation and the need for it in that particular industry. I have tobacco producers in my own riding who are vitally concerned about the fact that more and more countries want to deal on a state-to-state basis. They envisage new markets opening up because Canada has the highest quality tobacco of any country in the world. It is only human nature for the farmer to want to expand his production to supply those markets.

The legislation before us today, Mr. Speaker, was started quite a few years ago, first of all through a series of meetings of the major farm organizations in Canada with input from the various sectors. They discussed the concept, the needs, and they saw the shortfall of the organizations already in place. They felt that, with the high cost of production in Canada, we had to have some vehicle to act as a focal point to bring together not only the production sector but the processors, packers and exporters to work together in a meaningful partnership on behalf of the whole Canadian economy. It is very interesting that in some of those early meetings the Canadian Labour Congress was involved. They followed the development of this legislation in the discussion stage. They saw the spin-off effects, what it would do for job creation. They recognized that this is a good piece of legislation and we had to proceed if we were to realize our potential. The Canagrex formula, guided by the philosophy of serving the needs of all the producers to facilitate the agri-food industry, would assist in the diversification of products offered to the foreign buyer.

• (1650)

The potential market possibilities are real. Conditions in the marketplace indicate that with a co-ordinated approach Canadian agri-food exports could stand on a firmer footing and become a more potent competitor. I recently had inquiries from two different countries which wanted to import Canadian dairy cattle, the Canadian Holstein-Friesian. That breed is one of the most efficient producers of dairy products in the world. There are two countries that want to import that cattle, but they will need the help of Canagrex to fulfil that mandate.

One can see the fragmented approach which is taken by the various Provinces. I understand that the Province of Quebec presently provides a subsidy of $250 for each animal going into the export field. How do other Provinces compete against that? Consequently, we need a co-ordinating body such as Canagrex to fulfil that need to ensure that the product is available for those markets and the back-up services are provided so that the animals are put on the correct rations and kept in the proper environment to produce to their capacity.

I think it is only fair to look at Canagrex in the context of the missing link between our marketing board structures which are already in place in Canada. That structure did not recognize the potential which we had in Canada. The marketing boards themselves should be a body which is expansionary in concept in terms of striving to fill those markets whether they are in Canada or outside. Canagrex can be the mechanism to utilize that potential.

The former chairman of the White Bean Growers Marketing Board wrote a letter to the editor in which he recognized the need for the various other marketing boards which we have. I hope Canagrex will be able to work very closely with these organizations and provide the bridge financing required when necessary, which may include terms for payment six months down the road.

Possible market potential as identified by Agriculture Canada and other federal Government agencies relates directly to the need for Canada to begin to be more dynamic in export marketing. This is not a condemnation of what has traditionally taken place in the agri-food sector but rather a recognition of the ever changing world of the export marketplace. It is an ever changing world that shows that there is a quiet and subtle trade war evolving between the United States and the European Common Market. This is happening more often and the competition is becoming stronger. Can those other two countries, without the marketing board structures such as we have in Canada, assure themselves of long-term continuity of supply of a quality product or will they have to rely on programs such as the PIK Program which is in place in the United States? Do we know what these markets will be next fall? Do we know what crops will be in Russia? Do we know what they will be in the United States, let alone Ontario?

Since export markets are traditionally highly volatile, the best way for Canada to achieve additional exports in non-grains is also to create a strong and stable domestic market for

those commodities. This will help meet the objective of reducing the trade deficit in certain sectors of the non-grains area as Canagrex will help industry in linking export development and import replacement. I cannot help but reflect on the 1982 statistics which show that the dollar value of wheat sales last year was up by 15 per cent over 1981 while export sales in other sectors of the agricultural industry are up by only 2 per cent. Surely we must have a more efficient system than the one that exists at the present time.

I am reminded of a book entitled "Not for Export" which was written by a Carleton University professor. He points out many of the problems with which we are confronted today. These problems date back to the 1800s, to the time of Confederation. He points out the fact that all too often we have subsidiary companies in Canada whose head offices are located elsewhere. Consequently, when an order is placed it is not filled by the Canadian subsidiary but by the parent company in another country. Canagrex can give us a clear Canadian identity and also ensure that we have the mechanisms in place by which the Government can work with producers to fill those markets if requested to do so.

While Canada does have a number of export market tools at present, as a country we have not moved to present to the foreign buyer an agri-food focus for exports. Our efforts are fragmented and this tends to lead to what the Canadian Federation of Agriculture referred to as missed opportunities.

Similarly, potential exports of Canadian agricultural products have suffered because they have not had the means to become involved in world trading. Canagrex can be the catalyst by which doors of opportunity will open through various programs as outlined in the legislation for these potential exporters.

The benefits to the Canadian agri-food industry both in the long and short term will be significant because it will enable Canada to offer a more diversified range of product possibilities to foreign buyers. This can be of benefit to the industry and to the country's over-all balance of trade.

What all this points to is that Canagrex will, over the long run, have an opportunity to develop a trade philosophy which will relate directly to increased foreign trade dollars for Canada and the creation of additional employment. Whether that employment is in the agricultural industry itself or a related industry, there must be a concentrated effort to ensure that we get our share of these foreign markets. These spin-off effects will be felt throughout the Canadian economy.

I urge passage of this important legislation. The markets are out there and Canada can and will be competitive in all areas to ensure that we capture those markets as identified by Agriculture Canada and other Government agencies. I believe that it will take three years before we are able to bring our true trade potential into focus. I hope that Members of the Opposition will work together with the Government to ensure that the farm organizations will have their views taken into consideration. For example, I hope that the red meat sector in Canada will be able to partake in the benefits of this legislation, whether it is only the participation of the Pork Council at the present time or the ability to become competitive in the near future as far as the marketing of beef in offshore markets is concerned.

When I look at the trade figures in Hong Kong and see one of our major Canadian exporters getting one-third of his trade from another country to fill that market, I would hope that Canagrex would become very actively involved there to fill that market with Canadian products. The spin-off effects would benefit our total economy.

The Acting Speaker (Mr. Blaker): Questions, comments? Debate.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, if there is anything pleasant to say about this Bill, it is simply to thank the Minister of Agriculture (Mr. Whelan) for staying at least once in the House during debate on a piece of legislation related to agriculture. It is nice to have "Green Gene" in the House when we are debating subject matter of this nature.

It is an insult to this Parliament, the people of Canada and the farming community of the country that with a Bill of this magnitude on which there is this diversity of opinion and which has poisoned and marinated the prospective discontent that is divided largely between East and West, the Minister would bring it to the House under the guillotine of closure. This piece of legislation does not strive toward achievement but strives toward power. This represents an attempt by the Government to achieve complete and absolute Government involvement in farm management in the farming communities of this country. That is the kind of extent of Government involvement with which we will end up in Canada where Government will control farm management.

• (1700)

As long as the Government controls the concept of marketing and its process, then in effect the Government controls all management decisions. The farmers, following the passage of this legislation, at least until that Party is on the Government side of the House, will find out that the right of control and decision-making has slid from the farm desk to the bureaucracies of the corporation called Canagrex. With respect to the buy and sell power, the Minister, very wrongly, told us today it is analagous to that which is used by Crown corporations in the Province of Alberta.

If I might, Mr. Speaker, I want to take just a moment to share with you the great illusion under which the Minister of Agriculture buries himself and to the way in which he deceives the people of Canada by simply mentioning those names.

In the Constitution of the Soviet Union we note there is freedom of speech, freedom of association and also people have freedom of travel. The only difference is that a person in the Soviet Union has to get a permit to go from Moscow to Kiev. While the Minister of Agriculture quite rightly says that in the Province of Alberta with its Crown corporations there are provisions for buy-sell, what he said is really like trying to make the analogy of a North American claiming he is free or a citizen of the Soviet Union claiming he is free. Both Constitutions say the words but the facts are not the same.

The Minister of Agriculture said today in his speech that the Province of Alberta has buy-sell power. I simply say to him that if he thinks those two buy-sell programs are the same, he deceives this House. The fact is that if the Government used the buy-sell provisions as defined by the Province of Alberta, it would find that they are far less offensive than the buy-sell definition in this Bill. Sure the words are the same in the title, but what is the actual legislation? There are four pages of definition in the description marked Canagrex. In the very first paragraph of Clause 14 it reads:

(a) purchase agricultural products and food products and package—

Package. Let me emphasize "and package."

—process, store, ship, insure, import, export or sell or otherwise dispose of products purchased by it;

To package or otherwise sell is the extent to which it will go. We could wind up in the supermarkets of the country and on the Canagrex shelf find Whelan beans. With the label reading "It's ours." We can get rid of all the various kinds of food labels we see on cans and replace them with "Canagrex. It's ours."

The Minister across the way tells us about something or another but his implications are that I am simply fabricating the facts. But we all recall the days in 1972 when the Liberal Minister of Energy was going around the country telling people "Don't fear PetroCan" because it is simply to be, and I quote from that period of time, "a window on that industry."

We were told that all the Government wanted was to get into the board rooms to see how the oil industry worked. The Minister of the day said we had no reason at all ever to be associated with the service station end of the industry. That window on the industry, PetroCan, became an employer of 8,000 people and it ended up right in marketing at street level. The point to be made is that once power is granted, power is used. If the Minister thinks I am fallacious in my imagination of the full extension of the use of the power as defined, then the Minister defies history. When you grant power, as I said the power ends up by being used.

I join with many others in opposing this legislation. I am in good hands in saying that I will vote against this Bill later this day. Noting that the last speaker for the Liberal side listed two or three groups saying they are in favour of the Canagrex legislation, let me put on the record the fact that the following are opposed to this legislation:

Alberta Beekeepers Association, Ablerta Canada All Breeds Association, Alberta Canola Growers Association, Alberta Cattle Commission, Alberta Pork Producers Marketing Board, British Columbia Cattlemen's Association, British Columbia Pork Producers Association, Canadian Cattlemen's Association, Canadian Export Association, Canadian Meat Council, Canadian Seed Trade Association, Consumers' Association of Canada, Flax Growers Western Canada, Manitoba Canola Growers Association, Manitoba Cattle Producers' Association, Ontario Bean Dealers Association, Palliser Wheat Growers Association, Saskatchewan Canola Growers Association, Saskatchewan Hog Marketing Commission, Saskatchewan Stockgrowers' Association, Shippers and Exporters Association, Western Barley Growers' Association, Western Stockgrowers' Association—

And the list goes on. This Minister operates in the milieu of deceit, Mr. Speaker, when he implies to us that there is some kind of blanket acceptance in general for his legislation. He operates on the fact that by far the majority of Canadians are in favour of his legislation. I know there are people in the Province of Quebec and in the Province of Ontario, even to some extent in the Maritime Provinces, who believe this legislation would be good for them. We in this Party are willing to accept that that marketing agency is of some value. But it is absolutely unacceptable to have that legislation contain Clause 14 with such a full extension of power, with that vast number of associations, which I have listed, opposed to it, and for the Minister to come to the House and tell us that there is broad acceptance, when in fact there is not, and for the Minister to do this under the threat of closure. That defies the democratic process by which we come to represent our constituents. I tell you, Sir, this piece of legislation is, for that reason, unacceptable.

The time is all too short in this debate, particularly because of closure. I have an agreement with my hon. colleague, the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) to share some time. I want to wrap up by saying that this Minister of Agriculture who often gives himself praise, irregardless of the fact there is no such word as irregardless, and who keeps et cetering his way through the House, has never before passed a major piece of legislation in all the years he has been Minister of Agriculture. Today we will have his first piece of major legislation in all the years he has been the Minister. This will be done through closure. It has taken him three years. He has stubbornly done it without listening to any amendment. He has stubbornly done it without listening to the majority of the agricultural communities in Canada, and he will obtain this legislation only because he prefers closure to democracy. I tell you, Sir, he is the worst Minister of Agriculture in the history of the country. I will now sit down so that I can share the speaking time with the Hon. Member for Kindersley-Lloydminster who will take off on this Minister with equal tenacity. I hope he will call for his resignation.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, at the outset I would like to thank my colleague, the Hon. Member for Crowfoot (Mr. Malone) for allowing me to take part in this debate. It seems strange that we must now share the 20-minute speaking time allowed each Member because of the rush and the inability of the Minister of Agriculture (Mr. Whelan) to convince the majority of Canadians that this Bill called Canagrex is needed. We have closure imposed upon us.

Mr. Cullen: Time allocation.

Mr. McKnight: Therefore, as Members we must share the time and limit our debate so that this legislation may be imposed against the will of the majority of the farming communities and producers in Canada.

I want to say a few words on the supposed need and the great benefit that will accrue from this Crown corporation to be imposed on the people of Canada. I guess that we should not be concerned. I guess it is the right of the Government to pass bad legislation. It has not stopped the Government in the past. I suppose it will not stop the Government in the next six

to ten months on whenever the Government screws up enough courage to call an election. The people of Canada will find a method of removing this bad legislation from the books. That is called a general election, and certainly we on this side of the House look forward to that opportunity.

• (1710)

The need for Canagrex, as expressed by the Minister and by other Government Members, is that it will increase the volume of goods which can be exported from Canada. Let us take a look at some of the things that have happened without this Crown corporation. I will be referring to ten-year averages from 1968 to 1970. For example, the export of buckwheat increased 94 per cent in ten years. Corn went up 12,000 per cent without any help, without any marketing agency imposed upon the growers against their will. Turning to flaxseed, it went up 14 per cent in ten years, and soyabean went up 149 per cent. Now let us talk about the Cinderella crop of western Canada, canola, which was originally rapeseed. It increased 258 per cent without a Government marketing agency or without a Crown corporation to sell it. I think the numbers and the commodities speak for themselves. The exporters of these goods, the people who work along with the producers of these commodities to export them into the world, are doing a very good job.

There is an opportunity for the Government to become involved. The Government has had that opportunity for the past number of years with Government agencies to which it could have given assistance. Let us look at the new crops, the pulse crops which are coming on board in western Canada. They are being marketed by individual enterprisers without a Crown corporation. Canary seed and lentils, pulse crops in my part of Canada, are taking a large amount of acreage and are providing producers with a beneficial return. The only reason they grow these crops is that they make a profit. Exporters are making a profit and are encouraging it. I think they are doing it very well.

During the short time allowed in the House for this debate we continually heard the Canadian Wheat Board being compared with Canagrex. Anyone who knows anything about the operation of the Canadian Wheat Board and its structure compared with Canagrex would be amazed that the Minister of Agriculture (Mr. Whelan) or the Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) would have the audacity to compare them. The Canadian Wheat Board is funded by producers. It is operated out of the hip pockets of farmers. Also it has an elected advisory board. Free and democratic elections take place. They advise the Canadian Wheat Board. There are five commissioners appointed by the Government of Canada. No one, not even the strongest critics of the Canadian Wheat Board, could say that any of the five commissioners were painted with a political brush of one stripe or another. The producers of western Canada fund the Canadian Wheat Board out of their sales. They feel they have control over that Board. They do not have a worry about it because it is funded out of their pockets. They provide the operating money. They are the ones who have input through their elected advisory board.

When we take a look at the review by the Auditor General in the Bill, we realize that it comes three years after it has started. I cannot understand why a review would be allowed only after three years. Why could it not be allowed after the first or the second year? It is far too late.

The Hon. Member for Medicine Hat (Mr. Hargrave) presented an amendment which in my opinion was certainly a reasoned and rational one. When we consider that wheat and dairy products are excluded and that by far the vast majority of cattle associations in the country were against their product being included in the Bill to establish Canagrex, why would the Minister not listen to cattlemen as well as he listened to wheat growers and dairy producers? I think this is unbecoming of a Minister of Agriculture who is a democrat and has the best interests of agriculture at heart. There is some difficulty at times recognizing that, but I do not understand why he would not listen to the loud voice of cattle producers and breed associations of Canada. They did not ask for the Bill to be killed or for it to be removed from the Order Paper; they only asked that their product not be included.

When we take a look at the Bill, we find that it is redundant, inappropriate and misdirected. Presently the Government has at its disposal all the means it needs to support export growth in agriculture. With only a few minor enlargements of the mandate of the Export Development Corporation, the Canadian Commercial Corporation and the Foreign Trade Service, they could quite adequately fulfil the financing and marketing needed to support exports. I think that could be done at a much lower cost to Canadian taxpayers.

It is mot inappropriate that through Canagrex the Government could establish itself as a direct trader with the power to buy and sell on international markets. As we have indicated previously, it will bring unfair competition to bear on the existing export structure. The consequences of the unfair competition will have a negative effect on over-all trade performance in the export field. It is misdirected because the basic issue in Canada's export growth has been totally ignored by Canagrex. The Prime Minister (Mr. Trudeau) identified the crucial issue, that is our ability to supply internationally competitive prices. The Government proposal for Canagrex does not address that problem.

We have had discussions about international trading organizations in the House. We had a special standing committee of the House of Commons which travelled to gain knowledge as to whether an international trading corporation would be necessary and would be of assistance to the people of Canada. On June 28, 1982, I asked the then Minister of State for International Trade, the Hon. Member for Stormont-Dundas (Mr. Lumley), why he was even considering supporting Canagrex when he, as Minister responsible, had not seen fit to go ahead with the implementation of an international trading corporation. If the international trading corporation for other products was not acceptable to the Government, why would it

find acceptable to impose upon the agricultural community the Bill before us?

During this debate we have heard Hon. Members on the Government side indicate that the Hon. Member for Elgin (Mr. Wise) was responsible for the Bill. Any time the discussion of Canagrex arose, as the Minister of Agriculture and his Parliamentary Secretary should know full well, the Hon. Member for Elgin did not at any time endorse the buy and sell proposal. Under his direction it was to be a Bill to facilitate, assist and encourage, but at no time distract from the individual initiatives of exporters and producers.

After straightening out the record in that regard, I will sit down as my time has expired, but I will certainly rise in my place to vote against Bill C-85.

• (1720)

Mr. Althouse: Mr. Speaker, the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) stated that he finds it hard to understand why grains produced under the Canadian Wheat Board and dairy products which are sold under the Canadian Dairy Commission were being pulled out of the Bill. He cited that as an example or a reason why livestock production should be exempted from the Bill as well. Grain producers and dairy producers which have marketing organizations work with them. Therefore, I can understand that exemption.

Can the Hon. Member explain to the House how exempting livestock, something which did not pass in committee by the way, from the powers of the Bill would meet the requirements or expectations of his fellow Member for Provencher (Mr. Epp) who in his speech on second reading was hoping that a Canagrex operation would assist some of his constituents to export calves to Israel. That is now possible with the way the Bill has been handled. What would he propose to do for his fellow Member for Provencher if livestock and beef cattle had been exempted from the Bill?

Mr. McKnight: Mr. Speaker, I guess I should not be surprised at the question because it comes from the philosophy shared by the Hon. Member for Humboldt-Lake Centre (Mr. Althouse). Number one, the dairy producers of Canada want a dairy marketing board, they have one and that is what they should have because they want it. Number two, the Canadian wheat producers want a Canadian Wheat Board, they have it and they should have it. Number three, Canadian cattlemen do not want a marketing board. They do not want Canagrex. If we can recognize those facts and those democratic responses of those who produce goods, then we will live in a democracy which continues to function. As to what I would do for my colleague from Provencher, I would explain to his constituents that there is already the Canadian Export Development Corporation and the Canadian Commercial Corporation which could facilitate and assist in financing the export of calves all over the world. We do not need Canagrex in order to export cattle.

Mr. Whelan: Mr. Speaker, I have a couple of questions for the Hon. Member. First, is he aware that in the Province of Saskatchewan the provincial Minister of Agriculture, the Deputy Premier and House Leader for that Province, is using the Crown corporations set up by the previous Government to export cattle to Romania? It has the power to buy and sell. Is the Member also aware that he is not intending to abandon any Crown corporations in Saskatchewan at the present time because they are all making money? Is he aware of that?

Also, is he aware that it is not closure that is being used in the House of Commons? In the books of procedure there is a definition for closure and a definition for time allocation. The most democratic Parliament in the world, the Mother of Parliament in Great Britain, uses time allocation nearly every day that it is in session. Is he aware of that? Why does he continue to try to get across the point that this Minister of Agriculture, who has been elected for 37 years in the most democratic forms of Government that there is, would do anything that would be undemocratic?

Mr. McKnight: Mr. Speaker, I would never question the good judgment of the good people of the county which the Hon. Minister comes from, but I am sure that some of them have found 37 years a bit trying on their patience and look forward to an apportunity to change that.

In answer to the Minister's question, yes, I am aware that cattle is exported from Saskatchewan through the Saskatchewan Agricultural Corporation. That is because the people of Saskatchewan want that Crown corporation. The Minister of Agriculture finds that humorous.

Mr. Whelan: I do.

Mr. McKnight: In Saskatchewan there happens to be a Government that recognizes the value of Crown corporation. If he looks at the restructuring of Crown corporations in Saskatchewan he will find that they have become fiscally responsible. Second, there has been the elimination of some Crown corporations since the return of the Progressive Conservative Government in Saskatchewan. Third, when the Minister refers to closure, anything that limits debate and stops the democratic process short of fulfilment is closure. When closure is administered in committee by the Liberal and NDP Members to stop the Saskatchewan stock growers and Saskatchewan honey producers from appearing before the Standing Committee on Agriculture and presenting their feelings and their case, it does not matter what it says in the Standing Orders, it is closure and a gagging of the democratic process.

Mr. Evans: Mr. Speaker, I would like to pose a question to the Hon. Member. It seems that the main problem the Official Opposition has with Canagrex is the buy and sell power. Is he aware that a commercial corporation has existed since the 1940s and that it has exactly the same powers as Canagrex in commercial areas? With regard to certain agricultural commodities, this corporation has been doing exactly what Canagrex is proposed to do, and has been doing for a great many years with regard to canola, that is, the Canadian Commercial Corporation. It has been doing a very fine job. We had the Estimates before the Finance Committee not more than two

weeks ago. Members opposite were present. That corporation was given a glowing round of applause for the work that it has been doing. Indeed, Members asked why it had not moved into the agricultural area and whether it could do the kinds of things that Canagrex is proposed to do. Members of that committee were told that yes, it could, if the Government and the Opposition wanted it to do so, but Canagrex was being designed specifically to deal with agricultural commodities. That is why the Canadian Commercial Corporation is not moving into that area.

We have had a corporation like this for a great many years with the buy and sell power and with the power to deal state to state. It does not currently have the power to deal state to private sector, but it could have if the Government gave it that mandate. It could do that by simply saying, "Would you please do it". It would not even take a change in parliamentary legislation.

We have this corporation already. It has been doing a good job. It has been serving the farmers of western Canada with regard to canola very well. The Crown corporation does exist. If that is the case, why all this great hue and cry when the Minister of Agriculture (Mr. Whelan) brings forward legislation to provide an agricultural equivalent to the Canadian Commercial Corporation?

Mr. McKnight: Mr. Speaker, in response, I would pose a question to the Hon. Member for Ottawa Centre (Mr. Evans). He must not be aware that under the Agriculture Products Act the Minister of Agriculture already has those powers. They are all there, they have been there for a long time and the Minister did not use them. He said he needs a new Act, a whole new Bill. He needed more powers when he had all the powers which the Member for Ottawa Centre asks for.

We have the Canadian Commercial Corporation which has powers in agricultural export also, and the Government did not use them. It wanted to bring in another Bill, a Canagrex Bill designed specifically for agriculture. When we look at other countries that have state-controlled agriculture and export organizations, we see that they are not doing so great when it comes to feeding their own people. We in Canada have been doing pretty well. That is one of the reasons why we are suspect. All these powers have been in these two Acts. We are not sure why the Minister wants to bring in more.

● (1730)

[*Translation*]

Mr. Gaston Gourde (Lévis): Mr. Speaker, I am very pleased to be able to speak in the House to a Bill we shall be adopting today, whose purpose is to create the Canagrex corporation. I think Canada has a duty to acquire this export mechanism if it is to remain competitive with other countries in the world that are taking concrete steps to extend export markets for their agricultural products. These countries, which are providing some very stiff competition, have already taken steps to increase their exports of agri-food products, and I am thinking more particularly of our neighbours to the South, the Americans.

In fact, the U.S. has several mechanisms, such as the Foreign Agriculture Service, the Co-operative Program, the Commodity Credit Corporation and many related credit programs such as Public Law 480, which are aimed at improving their agri-food exports which are already earning $36 billion for the U.S.. This shows the kind of priority set by countries like the United States on exports of agri-foods products. Other countries have followed suit, including France, Denmark, Great Britain, Germany, Israel and Mexico, and set up appropriate mechanisms to maximize the development of their export markets.

The powers granted to agencies in the United States to facilitate sales of agricultural products provide for a sensible and flexible approach to seeking out export markets. It is also very interesting to note that the industry is seeking further powers. In addition, many groups are in favour of increased co-ordination of efforts, and pressure is very strong for adopting the Export Trading Act, which will create export trading companies similar to the Japanese giants that deal with all aspects of exports. In other words, Canada will be facing increasing competition on the market, and it must act now before it is too late.

Some people claim that Canagrex will not be like the mechanisms that already exist in other countries for the purpose of developing exports of agri-food products. Nothing could be further from the truth! Our competitors are not competing with other sectors in their own countries but with other countries. They have created agencies to facilitate sales to foreign buyers, in order to maximize sales of their products. That is exactly what Canagrex will do: Act as an agent to facilitate and promote, through all its members as enumerated in the Bill, the rapid sales of Canadian agri-food products on foreign markets.

Mr. Speaker, to illustrate what is now happening to the export of Canadian agri-food products in certain sectors, I would like to quote the comments made by Mr. William Jenkins, former dean of the Nova Scotia College of Agriculture, during an interview last year. He said:

> In the Atlantic provinces, the export of farm products is like a war. It is every man for himself, which is a very rudimentary way of selling any product . . . It is nearly perfect chaos.

The Canadian agricultural industry cannot afford this. What the other countries are now doing to prevent such a war only confirms the importance of Canadian competition on export markets. I therefore urge the House to give rapid passage to the Bill on Canagrex by voting for it this evening. Thanks to the markets it will provide abroad, this corporation will help our farmers as well as Canada as a whole.

I heard earlier some Progressive Conservative Members who seemed at one point to give the impression that everyone is against the establishment of Canagrex, but I would like to

mention a few organizations that have supported Bill C-85, such as the Ontario Federation of Agriculture, which stated that the Canagrex Bill should be passed during this session, and that the agricultural industry desperately needs such a legislation.

The Canadian Federation of Agriculture also sent a brief to members on both sides of the House in which it expressed its serious concern about the Canagrex issue. The Federation believes that it is desirable that such a development corporation have all the flexibility required to promote the development of Canadian exports, to take the risk of joint ventures, to provide specialized advice if need be, to negotiate from state to state in many circumstances where it is desirable or essential to share the risks and support long-term development, meet publicity requirements, provide guarantees and allow its employees to accept responsibility if required and to actively seek market opportunities.

And to that end, Mr. Speaker, in a document recently made available to us, it was stated that in the maple syrup industry, in particular, it was expected that with the setting up of this Canagrex corporation, sales could be arranged right now or at least over the next few months, the next few years, for up to $5 or $6 million more on markets such as Germany or Japan. I feel this is most important, especially in my constituency of Lévis, on the South Shore, where a number of maple syrup producers, especially in the Beauce, Bellechasse and Lotbinière areas have been faced over these last few years with important surpluses. It is my view that Canagrex comes at the right time in these circumstances to allow those maple syrup producers to unload or sell on export markets that production that is so expensive in Canada and in Quebec. I therefore expect that our Progressive Conservative friends cannot afford to oppose that over a long period.

The Canadian Federation of Agriculture goes on to say that in their view, they cannot but conclude that the opposition to Canagrex should not be considered as a valid or substantive opposition but rather as a concern that the Corporation might be mismanaged and misused, that it might further its own expansionist goals without regard to the commodity sectors involved.

In setting up Canagrex, we explicitly and specifically say that for once, from its very beginning, we will have a Crown corporation that will be submitted to the control of the Auditor General. Reference is made to integrated audit, to reports which will have to be submitted to the Standing Committee on Agriculture. And these will come back to the House. I think that we have all the possible safeguards to make sure that the corporation will be efficiently managed.

In addition, Mr. Speaker, we had the opportunity to meet with spokesmen for the Union des producteurs agricoles who were heard several times in connection with grain transportation and I have in mind that well-known Gilson report. In this case as with the policy on grain transportation, the UPA is begging the government to pass this legislation on Canagrex. I refer to a statement made by the UPA spokesman who appeared before the Senate committee on February 2, 1983 and I quote:

> The UPA welcomes, therefore, the principle of creating a corporation intended to promote, improve and diversify our export of agricultural and food products, and supports entirely the position taken by the Canadian Federation of Agriculture to that effect. We hope, nevertheless, that Quebec will be adequately represented within Canagrex and that this Corporation will show both flexibility and good judgment in using the powers which are given to it. Finally, we hope fervently that the Federal Government will provide to Canagrex all the necessary funds for its effective functioning and that, on the other hand, the work of Canagrex will never be hampered by the sloth and bureaucratic complexity which are too often found in this kind of corporation.

The Minister of Agriculture (Mr. Whelan) and all of us have done a good job and in this legislation we have all the provisions required by the UPA.

• (1740)

And the UPA representative added this, since the submission of this brief, the UPA in particularly its president, Mr. Jacques Proulx, has constantly reiterated its support for the creation of a corporation to promote the export of agricultural and food products, and to press for the passage of Bill C-85, as can be seen from the various telegrams of which copies are appended to today's brief and which were sent to the Minister of Agriculture, the Prime Minister of Canada, the government House Leader, the leader of the official opposition, various federal and provincial ministers and the president of the Canadian Federation of Agriculture.

Finally, last autumn, the UPA began to study the amended text of Bill C-85, as tabled by the Commons Standing Committee on Agriculture on July 19, 1982. After studying the amendments, the UPA declared itself to be completely in agreement with the proposed changes, while continuing to press for all the recommendations contained in its brief of April, 1982.

As well, Mr. Speaker, a spokesman for the Montreal Board of Trade appeared before the same Senate committee. I will quote him to indicate, as I said earlier, that someone may have been trying to give the impression that we are creating some kind of monster which will be a disservice to the agricultural community, but I think that by now we have the proof that many agricultural organizations support the establishment of Canagrex. Here is the statement which can be found in the minutes of the proceedings of the Senate Standing Committee on Agriculture of Tuesday, February 1, 1983:

> What we need is some way of guaranteeing steady supply—multi-year contracts—and, in addition, assisting with infrastructure in the receiving country because many of the countries we are talking about do not have the sophistication in terms of infrastructure—

I think that the Montreal Board of Trade goes further than the other organizations. It even talks about giving immediate and direct assistance to those countries which might eventually become our clients.

The spokesman for the Montreal Board of Trade went on to say:

> One of the reasons Canagrex is needed is that we have to start developing long-term markets. We have to do that to, basically, find out that specific research we need in order to match our ability to produce and the product we produce to the markets. It seems to me that nobody is doing enough in terms of finding out what

the needs and plans are in each country and converting that to what Canada has. Although research is covered in the bill, it seems to me that this would have to be done in co-ordination. Canagrex would be only a catalyst to get the research done. I do not think Canagrex should be the researcher *per se*.

We, as a country, have to export more agricultural products. Agribusiness is one of only about five areas of Canada's industry and economy where we can actually grow and, in fact, create employment. Referring to information I received from the *Financial Post* conference, there is capacity in Canada to produce two-thirds again the amount of agricultural products we currently produce.

Mr. Speaker, I have also read in *Le Devoir* an article by Florent Plante. It said that the National Council of the Parti Québécois was warning farmers against Bill C-85 concerning Canagrex. I have been sitting in this House for a little more than two years, and my experience tells me that when the Parti Québécois says that a proposal by the federal government should be rejected, it means precisely that it is time to approve this proposal. I believe we had had many examples of this in the last couple of years or months.

Also, we had the opportunity during the weekend to witness the nomination of a new leader for our friends in the Progressive Conservative Party, and I suggest we should perhaps ask Mr. Mulroney what is the position of this party concerning the establishment of Canagrex.

I think the time has come to ask the real questions, now that the convention is over, now that all those nice things have been said. Perhaps the time has now come to ask the new leader—

The Acting Speaker (Mr. Blaker): Order, please. I regret to interrupt the Hon. Member, but it is now 5.45.

* * *

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR SASKATCHEWAN

The Acting Speaker (Mr. Blaker): It is my duty to inform the House that an objection signed by the Hon. Members for Qu'Appelle-Moose Mountain (Mr. Hamilton), Kindersley-Lloydminster (Mr. McKnight), Western Arctic (Mr. Nickerson), Vegreville (Mr. Mazankowski), Athabasca (Mr. Shields), Bow River (Mr. Taylor), Carleton-Charlotte (Mr. McCain), Perth (Mr. Jarvis), Medicine Hat (Mr. Hargrave) and Simcoe North (Mr. Lewis) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E2, Revised Statutes of Canada, 1970, to the report of the Electoral Boundaries Commission for the Province of Saskatchewan.

If the House agrees, I would suggest that we follow past practice and print the text of the objection as an appendix to this days's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

CANAGREX

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Whelan that Bill C-85, an Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada be read a third time and do pass.

The Acting Speaker (Mr. Blaker): It being 5.45 o'clock p.m. pursuant to order made Thursday, December 16, 1982, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of third reading stage of the Bill.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Blaker): 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. Whelan) which was agreed to on the following division:

(*Division No. 332*)

YEAS

Messrs.

Allmand
Althouse
Anguish
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Deans
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier

Messrs.

Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hovdebo
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Keeper
Kelly
Killens (Mrs.)
Knowles
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lewycky
Loiselle
MacBain
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Manly
Marceau
Massé
Masters
McCauley
McRae
Miller
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Riis
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—148.

NAYS

Messrs.

Andre
Baker
(Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie
(St. John's West)
Crouse
Dantzer
Darling
Dick
Domm
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Jelinek
Kempling
Kilgour
King
Korchinski
Kushner
Lambert
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Paproski
Patterson
Reid
(St. Catharines)
Roche
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Wenman
Wilson
Wise
Wright
Yurko—94.

Madam Speaker: I declare the motion carried. Motion agreed to and Bill read the third time and passed.

It now being six o'clock I do now leave the Chair until tomorrow at 11 a.m.

At 6.15 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, June 14, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 62—NON-CONFIDENCE MOTION—NUCLEAR WEAPONS TESTING

The Acting Speaker (Mr. Corbin): Order, please. Before putting the motion to the House, since today is the final allotted day the House will go through the usual procedures to consider and dispose of the supply Bill. In view of recent practices, do Hon. Members agree that the supply Bill, which will go through all stages later today, be distributed now?

Some Hon. Members: Agreed.

Hon. Edward Broadbent (Oshawa) moved:

That this House express its opposition to the escalation of the nuclear arms race by any nation and, in particular, its opposition to Canada's participation by testing in Canada any nuclear weapon or nuclear weapon delivery vehicle such as, and including, the Cruise missile.

He said: Mr. Speaker, last evening around 9.30 o'clock I was in the airport in Toronto, having spent a very busy day in southern Ontario. I, as other Hon. Members will recognize from their own personal experience, decided at that particular moment to telephone my home in Ottawa to tell my wife the time I managed to get a flight and the approximate time that I would be arriving home. Somewhat as a surprise to me, my daughter answered the telephone even though it was that time of night. It was a humid evening in Ottawa, as everyone in the city knows. She had trouble sleeping, but she was exuberant and happy to talk to her father. I in turn, as parents will certainly recognize for whatever unique, particular reason at a given time, was delighted to speak to my daughter because she symbolized in her own exuberance in the conversation a sort of warmth, humanity and the possibilities for life that one sees in children, particularly that one sees in a special way in one's own children. I hung up the telephone feeling much better, a much more contented and less tired human being than I was before I called.

I had a unique experience this morning which I would like to share with Hon. Members of the House, obviously having mulled over in my own mind at some subconscious level during the night the subject matter of today's debate. When I awoke this morning I thought of another ten-year-old child. This time she was not a blonde, blue-eyed Canadian ten-year-old by the name of Christine, but I thought back to 1945 in Japan. No doubt at that time there was in Hiroshima a ten-year old child, perhaps named Sachi, Setsu or Yuriko, just as exuberant and just as full of the promise for life, and quite conceivably she had spoken to her father by telephone at some point on that day. Within seconds, that young, exuberant, dark-eyed, black-haired girl was blown to smithereens.

• (1110)

I relate this to you, Mr. Speaker and Members of the House, because I say with all the depth that I can muster that what is involved in nuclear weaponry is the ultimate possibility that I think mankind, wherever they may live, senses at quite an unconscious level that we may well be involved in the process in this century of taking steps, through our own genius at one level in terms of creative scientific imagination, to create weapons of such devastating capacity that all of mankind could be obliterated. All of the prospects, not only for my daughter obviously but for every child and adult in the world, the kinds of things they might do, the poetry they might write, the architectural leaps of the imagination that they may reveal in terms of contributing to society, the dancing they may do, the songs they may sing, the friendships they may have, may never exist again for mankind.

What is at stake in talks that are now going on in Geneva, and in a more limited but very real way the kind of decision process taking place here in the City of Ottawa in the northern part of North America, will have the most profound implications for the future of mankind. I want to quote Pope John Paul II when he visited Hiroshima in February, 1981. He said:

In the past, it was possible to destroy a village, a town, a region, even a country. Now it is the whole planet that has come under threat. This fact should finally compel everyone to face a basic moral consideration: From now on, it is only through a conscious choice and through a deliberate policy that humanity can survive.

I want to emphasize in particular in Pope John Paul's words the last phrase:

—it is only through a conscious choice and through a deliberate policy that humanity can survive.

We in this country are now at a crossroads. We have a profoundly important decision to make. In my judgment, we can continue to make fine speeches and persuasive, rhetorical arguments about the need for peace and disarmament. They are not to be dismissed because we need talk about peace and disarmament. However, words are certainly not adequate in terms of political life because speeches and rhetoric are not enough.

We can go on talking, or we can put rhetoric aside and make a decision that will take us concretely toward a sane nuclear

policy, which is to say a step toward nuclear disarmament. Surely to God now is the time that we in our own land took the same step toward nuclear disarmament.

• (1115)

Some Hon. Members: Hear, hear!

Mr. Broadbent: I want to begin the substance of my argument not by merely expressing the moral concern that is appropriate and is, I am sure, felt by Members on all sides. I want to underline that concern and the moral implications for the possible obliteration of mankind that is a unique situation in our century in the history of mankind. That kind of moral decision is before us. But I want to face the concrete power arguments, if you like, the legitimately perceived security concerns of the great powers of the Soviet Union on the one hand and the United States of America on the other.

Both sides have legitimate security interests; no one in his or her right mind will deny that. But in my view and in the view of many thoughtful people on this continent and in Europe and Asia, both sides have indulged in practices and argumentation since the Second World War that ultimately are false.

Each time one of the great powers has embarked upon a further escalation of the nuclear arms race, it has used its perceived security interests as the rationale. I think we must be honest and put aside ideology. There is no doubt which side, ideologically speaking, of those broad camps every Member of the House is on. But putting that aside, one must acknowledge a certain legitimacy in the military concerns of each of the great powers. The Prime Minister (Mr. Trudeau) himself has said that in the House on a number of occasions. But surely we ought to be disturbed that when the Russians put in SS-20s, they invariably say they are doing that to counter some perceived American threat of American missiles that are already there, and they use that as a bargaining instrument that they hope will cause the West to embark upon serious negotiations that will lead to disarmament.

The same kind of argument is used by the Americans and indeed has been used by the Government of Canada in the past justifying the deployment of nuclear weapons and, in the present, it is an argument that is being used with reference to the proposed deployment of ground-launched Cruise missiles and Pershing missiles in Europe.

This argument, Mr. Speaker, that is so common to both of the great powers was used in a direct conversation I had with Mikhail Gorbachev, senior member of the Politburo who visited Canada recently and met with the Prime Minister and with the Leader of the Opposition (Mr. Nielsen). In a private conversation, he repeated the Soviet argument, which is exactly parallel to the American argument, that they have to escalate in this way, or they have to develop a Cruise, because if they do not the Americans will not come to their senses and so on.

I want to say, Mr. Speaker, that it is surely time that we recognize that both powers make these arguments and that in the context of existing nuclear strength those arguments do not now have, if they ever had, any logical validity at all. I want to stress that. Such experts in the field from the Soviet Union are not normally free to speak, and we know that, but in the United States the experts in the field, including former Secretaries of Defence, a former head of the CIA, former Rear-Admirals, and the experts in Canada, including George Ignatieff, the distinguished former ambassador to the UN, and retired military people in Canada, all agree that there is a balance of terror in the world. They agree that the Soviet Union has superiority in some weapons but that the United States has superiority in others. One side has a more sophisticated kind of delivery system with some kind of orbital nuclear weapon, and the other side has a different kind of delivery system.

• (1120)

When you take all this into consideration and seriously calculate the total implication, any rational person has to conclude, as the people I have just referred to concluded, that there is a balance of terror now. That is important in the strategic argument and discussions that are going on and it is crucial to the argument that the Minister of National Defence (Mr. Lamontagne) has been making and that the Government of Canada has been making.

The point I want to make, Mr. Speaker, is that if the Soviet Union embarks on some kind of madness and we in the West retaliate with nuclear weapons—and there are serious moral questions about that, to say the least—there is absolutely no question of the capacity of western powers and the United States to do that and vice versa. If one side has the deterrent, both sides have the deterrent in terms of existing weapons systems now. Any question about limited nuclear wars or theatre nuclear wars is a particular kind of madness entertained by certain military figures in the United States and the Soviet Union. People whose intelligence and imagination I have a greater respect for acknowledge that this is completely ridiculous. Once the trigger is pulled, whatever the situation, however limited, we are in for a nuclear holocaust. We should have no illusions about that, Mr. Speaker.

Where does the Cruise come into this discussion? I want to say something about the Cruise because that is the subject matter of this debate; that is the entity we are talking about testing in this country. In particular, of course, I am talking about the air-launched Cruise.

What is particular about the Cruise as a nuclear weapon? First of all, all Cruise weapons, ground-launched or air launched, are deadly accurate and are low flying. In addition, they are very small and this makes their existence difficult to verify. Finally, the air-launched Cruise, the kind of weapon that is being discussed for development in this country, has a unique characteristic not common to other Cruises: it has the potential for being a first-strike weapon. When you add that potential to its accuracy, its low-flying capacity and its small size, you are confronted with a qualitative change in the development of nuclear weapons.

We are not just talking about another extension of the number of missiles or an increase in megatonnage or what have you; we are talking about a qualitatively different horrific weapon that has the potential for a first strike against the Soviet Union. Or as I understand it—because the Soviet Union is probably doing the same thing—for the Soviet Union to launch a surprise attack on the United States of America with its Cruise missile.

In this context I should like to quote an eminent authority on the seriousness of the Cruise, Mr. Speaker. Mr. William Epstein is the former director of disarmament at the United Nations and just two weeks ago he wrote in an article:

The long-range nuclear tipped Cruise missile is one of the most dangerous and destabilizing weapons ever conceived.

Mr. Epstein went on to emphasize that in his view what was particularly ominous about the air-launched Cruise was its first-strike potentiality. It completely destabilizes the current balance of terror, if you like, that exists between the two superpowers.

The other point I would make in this context is that because of its small size, it can be hidden. If the United States, with our complicity, proceeds to develop and deploy the Cruise, it will make almost impossible—but not impossible—future negotiations for verifiable disarmament agreements. This is precisely because the Cruise will be very hard to detect, whether located here in North America or somewhere in the Soviet Union. Therefore, by proceeding with this now, if we think we are having difficulty at Geneva in terms of what is being discussed, it will perhaps be a "piece of cake" to reach a settlement in the current talks compared to the kind of negotiations which would be required after the two sides develop and deploy a Cruise missile.

• (1125)

I would like to switch now to a related matter, Mr. Speaker, which the Government has talked about with a lot of misleading argumentation, and that is the position of NATO when it comes to the Cruise. I would like to begin with a quote from the Hon. Member for Kingston and the Islands (Miss MacDonald), who is here today for this debate, when she raised a question in the House of Commons on March 24 of this year. She said the following when referring to NATO, and I quote:

—the decision which was taken in 1979 applied to the arms control talks and to the deployment of the Cruise—

That is to say, the ground Cruise.

—and Pershing missiles in Europe only, and had nothing to do whatsoever with the testing of any guidance missile system here in Canada.

The Hon. Member made that assertion and, of course, she had responsibility for Canada at that time and knew what she was talking about. The Prime Minister, in response to the question which was raised by the Hon. Member, agreed and said:

That understanding is correct—

That is to say that there was no obligation coming out of a NATO agreement at all for Canada to proceed to test, particularly, an air-launched Cruise missile. It is clear in my mind that the decision to test, or to participate in discussions which led to the formulation of an agreement between Canada and the United States pertaining to the air launched Cruise, came as a result of a specific request not from NATO but from the United States of America.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member for Oshawa (Mr. Broadbent) but the time allotted to him for his remarks has expired. He would be allowed to continue by unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Corbin): Agreed.

Mr. Broadbent: I thank Hon. Members for giving me the extended time. The request, Mr. Speaker, to provide a facility for testing that weapon clearly came from the United States to Canada. I would like to say in this context that the former Secretary of State for External Affairs acknowledged in the House on April 29 last that this was the case. That Minister has never denied, either outside the House or in the House of Commons, that this was the case, that it was a bilateral arrangement made between the Government of Canada and the Government of the United States.

However, I regret to say that on a matter as fundamentally important as this, the Prime Minister, as is so often his wont, has attempted to mislead the people of this country. He has systematically tried to confuse the nature of the decision which was made about the Cruise. Time after time he has asserted that if Canada goes ahead and tests the air-launched Cruise, it is somehow intrinsically related to our commitments to NATO. I repeat, Mr. Speaker, that this is not the case. The former Secretary of State for External Affairs on the Conservative side, who is in the House today, says it is not the case. The former Secretary of State for External Affairs on the Government side says it is not the case. I say it is time that the Prime Minister of Canada stood up and said it is not the case.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I would like now, Mr. Speaker, to refer to the Geneva talks. Without sounding Pollyannaish, I am sure I speak not only for all Hon. Members of my Party but for all Hon. Members here, and indeed for all people around the world who are watching what is going on, when I say that it has been refreshing to see both the United States and the Soviet Union alter their positions.

• (1130)

I will not go through the sequence of bargaining stances taken by the two great powers, but the whole world notes that each has recognized the legitimacy of changes made by the other side. There is an apparent kind of realism developing which may lead to some kind of sanity in those talks and could

result in agreements signed between the two great superpowers. But again I want to stress, Mr. Speaker, that even if we get agreements in the two series of talks going on in Geneva, as important and positive as that will be for mankind, most Canadians are unaware that such agreements will have absolutely nothing to do with the right of either the Soviet Union or the United States to develop an air-launched Cruise missile. I repeat, whatever agreement is reached in the present talks, either the United States or the Soviet Union would be entitled to go on and develop the Cruise missile.

Therefore, I want now to come to our country's role in this historic process. We are at a turning point. It is not customary for Canadians to think in these terms. We are, after all, a limited power. We are not a great nation when it comes to global considerations in either our economic or military impact on the world. But I say, Mr. Speaker, that we are in a particularly important and unique position because we are part of an alliance and have entered into a bilateral arrangement with the United States concerning the possible testing of the Cruise missile. We can now as a country take a positive moral and yet realistic step towards peace and nuclear disarmament on the one hand, or we can continue in what could be a deadly march towards the ultimate holocaust by making a decision which says we, too, in Canada will play our role in developing the Cruise missile.

In what evidently is the majority of opinion of Canadians from coast to coast, including housewives, miners, loggers, bank clerks, professors, former military personnel, clergymen, farmers and political theorists, a whole cross-section of mankind as represented in our country have made it clear they are in opposition to the testing of the Cruise. Our view in this Party is that we should recognize what those people are saying to us. Sometimes majorities can be wrong, and intellectual honesty compels everyone in this House to say that. But if there ever was an instance when the collective conscience of a nation was expressing itself on the side of truth, it is on the issue of the Cruise missile. The majority is right!

Some Hon. Members: Hear, hear!

Mr. Broadbent: I want to conclude with these two basic recommendations on behalf of my Party. We should take that small but important step for peace by making it very clear that we will not test the Cruise missile in Canada. In addition, we should exercise a kind of imaginative leadership, appropriate for perhaps a middle power in the world, by taking the initiative to urge the United States on the one hand, and the Soviet Union on the other, to begin immediately to negotiate a complete ban on the testing and development of air-launched Cruise missiles.

The argument we could make to both sides would have much more moral and practical persuasiveness if we have already taken the correct decision ourselves. Therefore when the Minister and the spokesperson for the Conservative Party enter into this debate, I hope they will address this very practical proposition. If they have arguments against it, we on this side would like to hear what they are.

I began, Mr. Speaker, with a personal reference to my daughter and with a reference to that other ten-year-old who was destroyed many years ago in an instant flash in Japan. Surely to God, Mr. Speaker, it is time for idealism and realism to come together in this debate and make the right choice so that children in our land will be able to develop their capacities and talents and have some joy so that never again will ten-year-olds have their lives snuffed out.

Some Hon. Members: Hear, hear!

Mr. McKinnon: Mr. Speaker, I would like the Leader of the New Democratic Party to clarify that portion of this rather unusual resolution which reads:

—by testing in Canada any nuclear weapon or nuclear weapon delivery vehicle such as . . . the Cruise—

What does he mean "any nuclear weapon", and could he explain to me if anyone in Canada with even a smidgen of authority has ever contemplated, suggested or mentioned testing any nuclear weapon in Canada, if by that he means a nuclear detonation?

Mr. Broadbent: I would be happy to answer the Hon. Member's question. It is a two-part resolution, as the Hon. Member knows. We are asking the House to commit itself to opposing the testing of any nuclear weapon on the one hand—it is a long-range commitment—but on the other hand, regarding the immediacy of the request which has now been made by the Government of the United States to the Government of Canada, we are specifically asking the House to oppose the testing of nuclear weapon delivery vehicles such as, and including, the Cruise missile. I think it is reasonably straightforward but I hope my response has clarified it.

Mr. McKinnon: No, that is not the answer I was looking for. To his knowledge, has anyone in Canada with a smidgen of authority ever suggested for a moment that we would be testing nuclear weapons in Canada as opposed to a nuclear weapon delivery vehicle?

Mr. Broadbent: Well, I think the answer to that is no.

Mr. McKinnon: I am very curious as to why he bothered putting it in if he was simply not trying to frighten the general public by insinuating someone was thinking of testing nuclear weapons.

Some Hon. Members: Oh, oh!

Mr. McKinnon: Well, it is in the motion and we did not put it in, the NDP did.

The Leader of the NDP brought up the spectre of the Russians reacting to the development of the Cruise missile by building a Cruise missile of their own with, as seems to be a favourite word of the Leader of the NDP, a potential for striking North America. Surely the Hon. Member is aware that the Russians have been deploying an SS-20 missile every five days for a couple of years now, and at a slightly lesser rate than that in the previous two years. Also, these do not have a

potential, but, rather, a capacity to strike North America if they were sighted on the closest Russian soil in eastern Siberia. Why does he worry about the Cruise missile, which does not have the range to get here in the first place—

• (1140)

Some Hon. Members: Air-launched.

Mr. McKinnon: —and, in the second place, when there is something he could worry about a great deal more, the SS-20s, which can reach the northwestern United States?

Mr. Broadbent: Mr. Speaker, I must say candidly that I am a little surprised at the question. I am well aware of the existing weapons of the Soviet Union. They are capable of being used against Canada and the United States, and I am as concerned about that possibility as the Hon. Member.

What I was discussing, in terms of the air-launched Cruise, is that if the Soviets go ahead and develop and deploy it, it will give them the real capacity of launching a strike, with first-strike capacity, which could be devastating because of all the reasons I gave concerning the uniqueness of the weapon, its accuracy and so on. Here we have a qualitative change in the arms race. I would be very interested to hear what the Hon. Member's Party stands for on this matter.

Mr. Darling: You will hear.

Mr. Broadbent: However, this Party is opposed to the development of this kind of weapon by either the United States or the Soviet Union. We would like to see this country showing a little practical and moral leadership in proposing an agreement and helping to facilitate the great powers reaching an agreement in which neither of them develops this horrendous weapon.

Mr. Lambert: Mr. Speaker, the Hon. Leader of the New Democratic Party—

Some Hon. Members: Hear, hear!

Mr. Lambert: It is just that on this particular occasion it is a New Democratic motion, However, I would say to him that I trust that even some of the more senior Members in his Party could recall for him and for many of his younger brethren the attitudes prior to World War II, when the same arguments which he made today with regard to nuclear arms were raised with regard to nerve gases and bacteriological warfare. They were, shall we say, the thrills of the sensational press of the weekend in those days. There was not television. Is he not aware that both sides had those weapons in World War II, but did not use them because they were so terrible? Therefore, how does he feel that appealing only to emotions, and most of his arguments were on emotional sides, will guarantee—

An Hon. Member: Were Hiroshima and Nagasaki emotional?

Mr. Lambert: —that nuclear weapons will be used?

Mr. Broadbent: To answer very quickly, Mr. Speaker, it would seem to me, although there are some factual inaccuracies in the contention, that the weapons prior to World War II which he described were indeed on both sides. However, with respect, I do not see how that is relevant to the argument.

Mr. Lambert: Oh?

Mr. Broadbent: He went on from there to ask how I would think that emotional arguments would somehow be relevant to bringing about peace or disarmament and so on. That was the thrust of his point. I categorically reject the suggestion that what I offered was what the Hon. Member described as an emotional argument. I am among those who believe that passion and logic can be fused, that we are not disembodied spirits. However, I appeal to the Hon. Member that if he is not persuaded by some kind of emotional concern with the fate of mankind, will he at least do me the service of reading the logic which is embedded in the argument? If he does a little research, he will find all kinds of military experts around the world who agree with me and not with him.

Some Hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, the question that I would like to address to the Leader of the New Democratic Party is a request that he outline the attitude of himself and his Party, if they are the same, toward the North Atlantic Treaty Organization and the commitments that bind the allies in that organization.

Mr. Broadbent: Mr. Speaker, so far as that is relevant to the debate, I made it very clear. I spoke of NATO's position and Canada's position as stated by his former Secretary of State for External Affairs and by the present Minister of Justice (Mr. MacGuigan). I am making the assumption that the Hon. Member heard my argument. If he did not, and I do not say this sarcastically, he could simply read *Hansard* when it is published. I made it very clear that there is no connection between a Cruise commitment and a NATO obligation.

Mr. Darling: Aren't you against NATO?

Mr. Munro (Esquimalt-Saanich): If I might ask just one small supplementary question, is the Hon. Member suggesting that Canada withdraw from NATO?

Some Hon. Members: No, no!

Miss Jewett: That has nothing to do with it.

Mr. Broadbent: Sometimes the logical capacity of Hon. Members here is a little bizarre. If I said that there is no connection between a Cruise decision and NATO commitments, it would seem to me, in terms of my old Logic IB, to be a non sequitur to say that this has implications for withdrawing from NATO. It may be that the Hon. Member has taken a more advanced logic course than one of which I am aware.

An Hon. Member: You are the one who's lost.

Hon. J. Gilles Lamontagne (Minister of National Defence): Mr. Speaker, first I want to tell the House that I greatly appreciate the words of the Leader of the New Democratic Party (Mr. Broadbent) in that we all seem to be searching together for the same goal—how to preserve peace. I agree with him on that score, but I certainly do not agree on the modality or the means of reaching the objective of preserving peace. When he says that speech and rhetoric are not enough, I agree, because reality is a completely different matter.

I am also very glad to have heard the Hon. Member for Victoria (Mr. McKinnon) raising the point with regard to the motion itself which, to my way of looking at it—

Miss MacDonald: It's dishonest.

Mr. Lamontagne: —seems to be very misleading in that it implies that someone or some Government in Canada, the previous Government or the present Government, has considered the possibility of testing nuclear weapons in Canada. No Government of which I know, neither previous ones nor the present one, has found this to be the way our Defence was heading.

[*Translation*]

Mr. Speaker, needless to say, I am very pleased to be taking part in this debate—first of all, as Minister of National Defence, because in that capacity, I share the reponsibility with Cabinet for ensuring that the sovereignty of our country is both protected and respected, and, with our allies and our various alliances, for maintaining our democratic traditions and our rights and freedoms in this country of ours.

[*English*]

I am also very proud to participate in this debate because, along with many others in the House and I am sure many in the public who are listening to us this morning, we as veterans have been through war. I have been lucky enough to live through and survive one and have been a prisoner of war, like many other Canadians and allies. I know the difference between war and peace, between the misery of war and the comfort and delight of peace; but not just any kind of peace—peace with freedom. This is very important.

Some Hon. Members: Hear, hear!

Mr. Lamontagne: I now have a few remarks because I think it is very important, in a debate like this one, to get the facts straight, to ensure that people across Canada have the right information, the right facts about what the Government and the House might be doing as far as defence is concerned. I welcome this debate because it provides me with an opportunity to clarify exactly what has transpired thus far in relation to the proposed testing of the guidance system of an unarmed Cruise missile. I repeat that I am referring to the guidance system of an unarmed Cruise missile.

• (1150)

I was at a university last week or the week before and many questions were asked. They were exactly the same as what the resolution today asks. "Mr. Minister, is it true Canada wants to test nuclear weapons?" That just shows how misinformation can get into the minds of people. The testing which is proposed is strictly for the guidance system of the unarmed Cruise missile.

I would like to make it very clear just exactly what was received by the Canadian Government from the American Government yesterday morning. As I announced yesterday, the United States Department of Defense submitted a project proposal for the testing of unarmed Cruise missiles in Canada to the Canadian Defence Department, as called for under the terms of the memorandum of understanding between our two countries. The memorandum of understanding gains its authority from the February 10, 1983 Canada-U.S. umbrella agreement; that is, the Test and Evaluation Program Agreement under which the U.S. may make specific requests to test a variety of weapons systems in Canada.

When I heard the Leader of the New Democratic Party saying that we have no commitment or that we have no obligation, if he had read the memorandum of understanding or the umbrella agreement, itself, it is very well written in very clear words that Canada may accept or refuse any test program which is proposed by the United States. There is no question of commitment. Even the previous Government did not make any commitment to test any kind of missile in Canada unless it is agreed.

Each project proposal outlines exactly what the U.S. would like to test in Canada. The project proposal for the testing of the guidance system of the Cruise missile in Canada is no different. Following our assessment of the project proposal, a recommendation will then be brought to Cabinet for discussion and decision.

If the Cabinet and the Government agree to the project proposal, a separate "project arrangement" will then be drawn up in which the details of the proposed tests will be set out and the obligations of both Parties clearly specified and defined like any other testimony under this agreement.

I must emphasize that the project arrangement itself, if one is indeed entered into, will be basically an administrative document, not a policy document. The policy itself is to be determined by Cabinet prior to the drafting of the project arrangement.

There is in Canada today a rather tense and certainly polarized debate over arms control strategy. There are numbers of people who are beginning to discover some of the facts of life in the nuclear age and, inevitably, they are getting a lot of them wrong.

Let us be absolutely clear on one point. There is no policy that can provide an absolute assurance that it will not lead to nuclear war. Consequently, we do not have the luxury of choosing a policy wholly untainted by the nuclear danger. We can only choose between policies that entail different degrees of risk. We and our western allies have chosen what is called deterrence.

NATO's security policy is one of deterrence. Within that policy rests the firm conviction that in a nuclear war there would be no winners. The entire purpose of nuclear weapons is to deter aggression, to deter their use by others. The Cruise missile around which this debate is centred shares that purpose with all other nuclear weapons, that is, to deter aggression. But there is a paradox in the strategy of deterrence which must be recognized. If nuclear weapons are to be useful to deter aggression, they must be credible. To be credible, there must be confidence, especially on the part of the opposition, that is the other side, that they will work.

Deterrence is not an attractive way of ensuring peace but it has worked. For it to work, NATO must possess the means to respond to aggression, both conventional and nuclear. The maintenance of a credible deterrent has helped to make western Europe strong and to keep the peace between East and West for over 30 years, despite circumstances that were often very difficult. It is hard to think of any other period in European history where such political divisions and so many potential flash points would not have led to war. That deterrent posture of the West still keeps the peace today.

Deterrence also provides the necessary stability to enable us to pursue arms control measures which will really give us a safer world if they are verifiable and apply equally to both sides. The posssession of nuclear weapons is an essential fact of deterrence. In a world where such weapons exist the NATO alliance must be able to deter their use by an enemy or to resist blackmail based on the threat of nuclear attack. Moreover, the possibility that nuclear weapons might be used remains a valuable disincentive even to conventional aggression against a power possessing them.

By the way, Mr. Speaker, do you think for one minute that if Afghanistan had been a nuclear power Soviet Russia would have invaded it? I think nuclear possession by Afghanistan would have been an absolute deterrent to such invasion.

Since 1945 conventional war in other parts of the world has killed over ten million people, and more are being killed with each passing day. Not only has nuclear war between East and West been avoided, but so also has conventional war in Europe been prevented. Nuclear war is a terrible threat; conventional war a terrible reality.

The crux of the debate is the validity of the strategy of deterrence. The ethical questions raised are grave and difficult. Churchmen and laymen alike are divided by the problem. It is argued that the indiscriminate mass killing associated with nuclear weapons is invariably and absolutely wrong. Therefore deterrence is wrong, some people say. But nuclear weapons exist and they cannot be disinvented.

I noted the Leader of the New Democratic Party quoted Pope John Paul. Let me quote what Pope John Paul said last June in his message to the United Nations special session on disarmament. He attacked the arms race but called for the mutual, progressive and verifiable reduction of armaments. He emphasized that negotiation was still the only realistic response to the threat of war. On the subject now at the centre of the Christian debate he said that: in current conditions deterrence based on balance, should certainly not be seen as an end in itself but as a step on the way to progressive disarmament, may still be judged morally acceptable. The Pope commented to anti-nuclear groups that there is a profound and sincere desire for peace but noted that their project proposal and policy can often lend themselves to political exploitation. I think what Pope John Paul has said is indeed something on which we should reflect.

There is as well a second morality at issue. Deterrence can be made and kept as a stable system, with only a remote chance of nuclear war. The primary intention is not to kill the enemy but to keep the peace. The question is: Does the immorality of something which will only happen in extreme circumstances outweigh the morality of what is being achieved day by day, and has been achieved for over 34 years, peace in Europe? Surely the greater good is served by ensuring that nuclear weapons are never used by preventing nuclear war in the first place.

Many Hon. Members will have followed the discussion at the recent Anglican General Synod in England on the morality of deterrence. One-sided disarmament, which is indeed what this motion calls for—

Mr. Broadbent: It does not. Be honest.

Mr. Lamontagne: —was turned down by more than three to one. I think it is unilateral because the Hon. Member only spoke about the West. He never spoke about the other side. Instead, the church called upon the British Government to sustain their nuclear deterrent while seeking multilateral disarmament. We, too, are convinced of the correctness of this multilateral approach. In the meantime deterrence, although perhaps morally flawed for some, is the only means at present whereby war can be prevented and the threat of war kept as it is now, very low. Clearly it is the lesser evil.

• (1200)

Of course, that is not the end of it. No one can rest comfortably on such a policy alone as the basis of international peace for the rest of time. This is why we have to search unremittingly for better ways of ensuring a stable world. Vital among these is the Government's commitment to pursue effective measures of arms control and disarmament. In the meantime, for deterrence to remain effective Canada and other NATO nations must from time to time modernize their defence equipment, as existing systems become obsolete, if they want to retain a deterrent capability.

To those people who imply that Canada believes in building up a western nuclear war fighting capacity, I would like to say that the Government, together with other alliance governments, sees every part of our security policy and every weapon in the alliance arsenal as having only one purpose, that of contributing to deterrence and preventing war. A military balance is essential in today's world to our own security and that of our allies. We must use it as the basis for arms control, not as the starting point for an arms race. We want a balance,

but we want one at much lower levels of armament on both sides than is the case at present.

Of course, that has long been the basis of NATO policy. It was the entire basis for NATO's December, 1979 two-track decision. Canada supported that decision and continues to support its implementation on both tracks, including deployment if arms control negotiations fail to yield satisfactory results. Our deepest wish is that deployment will not be necessary. But in logic it is difficult to see how, if Canadian support for the NATO decision was not then regarded as contributing to nuclear proliferation or to the arms race, any possible assistance with the testing of one of the delivery vehicles could be so construed now.

I recognize that there is a widespread climate of uncertainty, and in some cases fear and insecurity seems to have spread in recent years in the West. Sadly some Canadians seem determined to cultivate that fear and insecurity. They would even have us believe that they have the monopoly on concern for humanity. Of course they have no such monopoly. The Government shares the same concern, at least to as great a degree. We respect those who work for peace, but we reject the sanctimony of those who take unto themselves the word "peace" as if it were their own. We are convinced that Canada and Canadians are best served by a prudent defence strategy and a realistic arms control policy. Within the NATO alliance we have both.

The upsurge of anti-nuclear sentiment, with its overtone of anti-Americanism, is one of the most important problems we face today. The United States has been and remains essential to our security and that of Europe. NATO policies and determination have brought about changes in Soviet attitudes, not those of the peace movements or the unilateralists. It is NATO which is proposing radical solutions in arms negotiations and the Soviet Union which is holding things up. Popular protest should be directed at the Soviet Union, not at the United States. If one had only two choices, to live in one or the other country as a pacifist, which one would be chosen—to live in the United States with its freedoms or in Soviet Russia which incarcerates pacifists or anyone who wants to petition their Government?

Some Hon. Members: Hear, hear!

Mr. Lamontagne: Perhaps we have only ourselves to blame. We had assumed that our security policy and the basis for it was both well understood and accepted by the great majority of Canadians. But we may have failed to put over to some the basic aims of the strategy of deterrence—the maintenance of peace as well as freedom. We and everyone listening to my comments are horrified by any prospect of war, but responsible governments have an obligation to face up to the horror of war and work to prevent it. That is what our security policy is about.

Quite frankly, such a motion from a Party that proposes that Canada withdraw from NATO and end our alliance with the Americans does not surprise me. Their ideas on Canadian defence policy or the lack of it in most areas are well known to the Canadian people. It is more or less a policy of submission. Canadians are overwhelmingly in favour of NATO and our alliance partnerships. The Government will continue its current policy direction so that the freedom, security and peace of all Canadians are maintained.

To do otherwise would be to invite aggression. I am thankful that ideas and solutions such as those proffered by Hon. Members of the New Democratic Party did not carry the day in the 1940s in England when the liberty of all the free world was at stake. We on this side of the House have learned from history. I suggest Hon. Members opposite spend a little more time reading and pondering the hard lessons of the past. I could give them a few lessons from my own experiences.

The Hon. Leader of the New Democratic Party mentioned something about his small daughter.

The Acting Speaker (Mr. Corbin): I regret to interrupt the Hon. Minister but his allotted time has expired. He may continue with unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Lamontagne: I will be just a few minutes, Mr. Speaker. At the beginning of his speech the Hon. Leader of the NDP mentioned with great emotion his love and concern for his ten-year-old daughter. I could tell him that I have four children and I do not want them to go through what I went through in 1937, 1938 and 1939.

Some Hon. Members: Hear, hear!

Mr. Lamontagne: Some people at that time lacked the courage or the vision to see what was coming. They did not believe that was was imminent. Do they remember Mr. Chamberlain returning from that great peace mission in Munich? There was great elation in England.

Mr. Broadbent: Be honest, face the argument.

Mr. Lamontagne: Don't worry. No one remembers the non-aggression pact signed between Russia and Germany. All these things were not worth the paper on which they were written.

What this Government and most Canadians want is for us to do everything we can to preserve peace and our freedoms, liberties and rights. At the same time they want us to work very hard toward negotiations so that we can look at de-escalation of nuclear weapons and see how we can attain peace. It takes two to do this. I do not think it is right to blame the United States, as many people do, for not negotiating seriously and never mentioning that on the other side Soviet Russia is not dealing seriously with the matter at all.

Some Hon. Members: Hear, hear!

Mr. Anguish: Mr. Speaker, as an individual I have a great deal of respect for the Minister of National Defence (Mr. Lamontagne) and for what he and others did to serve Canada during the Second World War. Also I respect his integrity as a

member of the Privy Council. However, I would like to point out that the New Democratic Party has never stood and I hope will never stand for any kind of unilateral disarmament.

I say sincerely to the Minister that I think the matter is cheapened when it is put to the issue of choosing whether we would rather be under Soviet control or American control. As an individual I believe, as do Hon. Members of the NDP across the country, in the freedoms and justices for which people like the Minister of National Defence and other Members of the House of Commons fought during the Second World War and during other wars in which Canada has been involved. I do not want to see this debate cheapened to an issue of politics choosing either a communist or free world. I believe all Members of this House would choose the free world in which we live, which we would go to arms again for under similar circumstances. I am sure Members would take up that call.

• (1210)

It is not an issue of the United States versus the Soviet Union. It is not an issue of New Democrats versus Conservatives versus Liberals. The question is nuclear arms. This House of Commons and this Parliament should deal very seriously with that issue. The consequences are devastating. Although the Minister mentioned that the Pope had taken an initial step, we must take steps beyond that to work for some kind of multilateral disarmament around the world. Canada can play a very key role in that. I want to set the record straight.

The Acting Speaker (Mr. Corbin): Order. I apologize for interrupting the Hon. Member, but the provisional orders of the House provide for brief questions and comments. It has been determined previously that 90 seconds would be reasonable in the circumstances, especially in view of the large number of Members rising to put questions and make comments. Would the Hon. Member please make his point.

Mr. Anguish: Mr. Speaker, I respect your intervention. I think the less than a minute which I took is reasonable in terms of addressing the speaker. The question I have directly for the Minister of National Defence follows on a very local concern. I understand that the nuclear arms issue and the Cruise missile is a much larger issue, a global issue. My question relates to a local concern.

The constituency I represent contains within it part of the Primrose Lake air weapons range where the Cruise missile is proposed to be tested. I have constituents who live within three miles of the border of the Primrose Lake air weapons range. It has been admitted in the umbrella agreement which was tabled in this House that the Cruise missile can become lost. It was admitted as a fact that a couple of Cruise missiles have recently crashed in the United States. It does not matter to those people whether the delivery system contains a nuclear warhead or not; there is the possibility of its crashing in their community. It is nuclear weaponry. The only thing that is not there is the nuclear warhead.

What provision is made for people just outside the range with regard to the possibility of the Cruise missile becoming lost and crashing into one of the communities I represent as a Member of Parliament in this House of Commons? What provisions are there to provide security to them and to provide compensation in cases where a faulty Cruise missile is proposed to be tested?

Mr. Lamontagne: Mr. Speaker, I suggest that the Hon. Member read very carefully the agreement and also the memorandum of understanding in which all the security measures are listed—what we should ask from our American friends, what is the possibility of an accident and so on.

In view of the few words that have just been said, I would like to mention again that it is an unarmed missile. There is no question of a nuclear weapon at all in this case. It is the guidance system we are testing. This missile has already been tested in other places. May I assure you that all precautions will be taken to ensure that it does not fly over urban areas. All security measures will be taken, just as security measures are taken with regard to any plane or other flying object travelling over a particular area. Therefore the Hon. Member need not worry about a possible accident. Everything will be taken care of very carefully.

Mr. Heap: Mr. Speaker, I wish to address a question to the Minister regarding that part of his speech in which he compared this motion to the proposal that was under debate within the Anglican Church in England. The Minister may have unintentionally misled the House by his remarks; his remarks could have that effect.

The motion of the Anglican Church in England was a recommendation for complete nuclear disarmament. The motion now before the House refers to only one element of the nuclear armaments system, in fact one element of the nuclear arms delivery system. The Leader of the New Democratic Party (Mr. Broadbent) went to pains to make clear in his speech that he was talking about only that one part of the system, particularly for the reason that that would have an excalating effect if allowed to proceed. He made it clear that neither he nor his Party advocates complete nuclear disarmament, as did the resolution before the Anglican Church in England. Therefore I would ask the Minister to clarify his remarks to that effect so as to remove any completely erroneous suggestion that what we are dealing with today is total nuclear disarmament.

Mr. Lamontagne: Mr. Speaker, I agree it is not exactly the same issue, but it is very hard to dissociate this resolution or the Anglican Church resolution from deterrence. Any weakening on what we claim to be a critical, credible deterrent would diminish the power and the credibility of such a deterrent. That was the basis on which the Anglican Church in England was discussing the issue. When they said they should eliminate all nuclear weapons in Great Britain, the argument came back as to how there would be a deterrent which would be credible if that was done. It is the same situation here. We consider the Cruise missile testing as part of the global deterrent asked for

by the Europeans on the two-track decision. We consider this as giving our allies moral support for what they are doing in Europe.

Mr. Young: Mr. Speaker, during the course of the Minister's speech he developed an argument around the deterrent factor and suggested that if Afghanistan had had a nuclear weapon, it would have been a deterrent to any invasion by the Soviet Union. Is the Minister proposing that there be a wider proliferation of nuclear weapons as a deterrent? For example, in Third World countries such as Nicaragua, where there are tensions, should there be nuclear warheads as a deterrent against countries that may threaten them? Is that what the Minister was suggesting or was he being a bit facetious when he made that kind of argument?

Mr. Lamontagne: Mr. Speaker, what I meant when I said that was much more profound. I did not have time to elaborate on the issue. I wanted to illustrate the kind of power which invaded Afghanistan. I mentioned that the nuclear deterrent is essential in order to prevent war and preserve peace. I do not want to imply that every country should have nuclear weapons in order to prevent invasion. I just say that if Afghanistan had been a nuclear power, I do not think Soviet Russia would have dared risk a nuclear war by invading it. I just wanted to illustrate that when the Soviets decide to have their way, making people submit who would not do that voluntarily, they do what they want by force. That is contrary to the manner on our side which always tries to act as democratically as possible. This can be argued either way.

• (1220)

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I would first like to say that I regret that the Prime Minister (Mr. Trudeau) is not present to hear this debate. I have noticed during Question Period that he is interested in the subject and one would assume that, because of his intimate knowledge of the subject, he has quite a considerable bit to do with the making of the policy of the Government. I do regret that he is not here. I am sure that he has other duties that have kept him away.

There are really three issues that we should be discussing today in a debate on nuclear disarmament. We should first of all talk about nuclear arms control, which everybody is in favour of. We should then talk about the testing of the Cruise missile as another facet of the same problem. Finally, we should talk about the Canada-U.S. agreement. These three things are completely intertwined, and it is very difficult to discuss them together in the context of non-confidence motion. I shall have more to say about this motion in a moment.

Yesterday when I spoke in the House, I was critical of the Government for not giving us more information on the agreements that are likely to be signed. I was looking at the "Memorandum of Understanding Relating to the Canada-U.S. Test and Evaluation Program", which contains the kinds of things that I think the Government should be telling us about before it takes the final step, if it ever does, and agrees to test the Cruise missile. I expect that what we really want is the project arrangement document. Now, as we listen to what I am about to read, we should search our minds to see if there is any security aspect that, if breached, would be devastating to a defence effort. The document reads:

> The Project Arrangement document will contain, as applicable, the following:
>
> a. an outline of the T&E project;
>
> b. a description of the agreed location and the project plan;
>
> c. a full description of access to and use of test sites accorded to DOD including:
>
> (1) details of personnel and equipment to be employed in Canada,
>
> (2) details of troop movements, flight plans, and reconnaissance requirements,
>
> (3) general details of RF emitters, (specific details on power and bandwidth will be provided separately to DND for concurrence),
>
> (4) details of required installation and removal of DOD fixed equipment,
>
> (5) restrictions on access and any plans to provide additional site security that DOD may find necessary, and
>
> (6) any other special requirements;
>
> d. details of the DND control, safety and security precautions for the T&E project;
>
> e. details of the DND support and/or participation;
>
> f. a description of construction requirements;
>
> g. DOD mapping requirements;
>
> h. details of stores and equipment to be expended or left at the test site for DND disposal;
>
> j. a statement of DND rights to data arising from the T&E projects;
>
> k. description of management arrangements including the identification of Project Managers for each Department and a statement on reporting requirements;
>
> m. a detailed estimate of the anticipated costs for approved DND support;
>
> n. details on the arrangements for the protection of Intellectual Property;
>
> p. details of arrangements for security;
>
> q. details of arrangements for visits;
>
> r. details on the duration and arrangements for termination of a T&E project before its conclusion; and
>
> s. details of financial arrangements and reimbursement.

This is not Question Period, but I would hope that if the Minister gets a chance he would respond by telling me what there is within that document that would, if made known, breach security or imperil the security of Canada. If there is anything within that document that would do that, then I would be willing to back off from it. To my mind, that is exactly what I want to know about these tests and I cannot see how it would imperil security at all if I were to find out about them.

Perhaps I could now speak to this rather odd resolution that is before us. I must say that I think the Member for The Battlefords-Meadow Lake (Mr. Anguish), who was talking to the Minister about cheapening this debate, presumably had nothing to do with preparing this cheap little resolution that quite obviously was designed for purely political reasons. It should be borne in mind that this is a mischievous little resolution that includes the implication that someone is considering the testing of nuclear weapons here in Canada while it does not mention whether the two-track policy should be favoured or not. As a matter of fact, we thought of amending this resolution, but its syntax is of such a nature that it

would be almost impossible to amend without deleting the entire motion and writing a new one.

Mr. Broadbent: It is very clear.

Mr. McKinnon: It is very clear? What does it mean when it says that it opposes testing in Canada of any nuclear weapon if it does not mean that the drafters of this document are trying to frighten the population?

So far, something else has arisen out of these speeches. Disregarding how Members of the NDP have taken this very, very serious subject and have tried to turn it into a political brownie point for themselves, I would like to point out that, by my understanding, today is the final Opposition Day before we rise for the summer. Today is the last Opposition Day with a vote of non-confidence and we are not touching upon employment, we are not touching upon the economy, we are not touching upon things that are important to the people. We are only touching upon this issue that is important to considerably fewer people than the number of people who are interested in unemployment and in knowing from where they will get their next meal.

Recently I sent out a questionnaire to my constituents to which I received 5,000 responses. I realize the bias that is created by questionnaires with questions that are improperly phrased and I also realize that the people who answered my questionnaire are, to a large degree, people who support me. However, the third question on the questionnaire read: "Do you believe Canada should remain in NATO?" I like to keep these questions short because I do not like to influence people. The responses were yes, 86.6 per cent; no, 7.5 per cent; and no answer, 5.9 per cent. The fourth question read: "Do you believe Canada should agree to have the Cruise missile tested at Cold Lake provided no nuclear armaments are carried into Canada during the tests?" The responses were yes, 72 per cent; no, 23 per cent; and no answer, 4 per cent.

Now, to me, the answers to these two questions were particularly interesting when considered within the context of the answer to the eighth question: "Thinking of federal politics only, do you generally consider yourself to be a supporter of the Liberal Party, the NDP or the PC Party?" The responses were Liberal, 7.3 per cent; NDP, 7.3 per cent; and PC, 73.2 per cent. There were 609 responses that did not answer that question.

Now, in actual figures that comes out to 364 people who claim that they are NDP supporters.

An Hon. Member: Were all those PC supporters your relatives?

Mr. McKinnon: I do not have 3,661 relatives, unfortunately. I segregated those 364 NDP responses to see how the respondents had answered these two questions. It might be of interest to the Hon. Member who led off this debate that in response to the question whether we should stay in NATO or not, 67 per cent of NDP supporters believed that Canada should remain in NATO. These are people who identify themselves as belonging to the NDP and 67 per cent of them go directly against the declared policy of the NDP, which is to withdraw from NATO. Perhaps Members of the NDP should wonder how well they actually represent their own grass roots.

I was equally surprised by the response to the Cruise missile question in that 35 per cent of NDP supporters answered in favour of testing the Cruise missile and 65 per cent were opposed.

I mention these figures in order to impress upon the House something that the House knows very well at the present time, and that is that this issue runs across Party lines. There are many people in Canada who have very sincere opinions on this issue, and I think it is up to all of us to try to educate these people as much as we can so that their decisions and ultimately our decisions will reflect the deepest possible spectrum of public opinion.

Before I go to the main body of my speech, I would like to mention the theological background of this question. For a while this morning, I began to feel as if I were at some kind of a theological college where people were questioning what the General Synod of the Church of England said. A headline from the London *Times* of Friday, February 11, reads: "General Synod rejects unilateral nuclear disarmament". The article went on to say that unilateral nuclear disarmament was rejected and support given in principle to a British nuclear deterrence. The Synod called for a British commitment to no first use.

Along this theological vein, I read further and found a quotation from Pope John Paul who was mentioned by the Leader of the New Democratic Party. An article in *The Economist* said that Pope John Paul attacked the arms race and called for mutual, progressive and verifiable reductions of armaments. That is exactly what the Conservative Party called for. The article continues:

● (1230)

Negotiation was still, he emphasized, the only realistic response to the threat of war. On the subject now at the centre of the Christian debate, he said:

"In current conditions, deterrence based on balance, certainly not as an end in itself but as a step on the way towards a progressive disarmament, may still be judged morally acceptable".

The article also had this to say:

Inconveniently, Christianity's founder left behind a less than wholly clear set of rules. He instructed his followers to love their enemies, not to resist evil and, when struck, to turn the other cheek. (Matthew 5:39-44). In the Sermon on the Mount, he praised the peacemakers (Matthew 5:9). Yet he also whipped the traders and the money-changers out of the Temple (John 2:14-16), and rather ambiguously said he had come into the world "not to send peace but a sword" (Matthew 10:34). What were his followers to do?

What his followers do 2,000 years later, I suppose, is to debate the thing to some degree. I would ask that the debate be as informed as possible.

I am pleased that this motion is before the House because we have needed one, Mr. Speaker. I wanted to have a debate after we got the information that I have detailed today. I want to point out some of the misconceptions and some of the

misinformation that seems to be abroad in the country concerning the Cruise missile. In view of the number of misconceptions, perhaps it would be wise to include some of the history of the initiation and development of this weapon which has brought it to its present stage.

First of all, I believe this missile is not the great leap forward in technology that some people would have us believe. In fact, many knowledgeable people have been concerned that while the Cruise missile and the Pershing II are meant to counter the Russian SS-20, which first came into operational service some four years ago, they are not in the minds of many its equivalent.

The second point is that the Cruise missile is not a first-strike weapon. I realize that the Leader of the New Democratic Party said that it had a potential for that. For those people whose main characteristic is a kind of paranoiac anti-Americanism, it is fashionable to claim that the Cruise missile is a quintessential first-strike weapon. Such is not the case. It is, however, a very capable second-strike weapon. The main requirement of a second-strike weapon is that it should deter a first strike. The capabilities of a first-strike weapon are that it should be able to render the enemy's nuclear armaments incapable of retaliation.

Until quite recently one seldom heard the expression "first-strike weapon" applied to any type of weapon except the intercontinental ballistic missile, the ICBM, and rightly so. To fulfil the prime requirement, the ability to destroy all of the enemy's weapons that can reach your territory, is not possible at the present time for either side, and there is very little likelihood that it will be possible within the next decade.

There are really no weapons with a first-strike capability, therefore. The main weapon that prevents the first-strike scenario from being valid is nuclear-powered, nuclear-armed submarines on both sides, cruising in the deepness of the oceans. It is not possible at the present time to track or locate them but their armament is well able to be fired with fairly good accuracy onto the enemy's homeland. So let us stop the misinformation about the Cruise missile being a great leap forward and the ultimate in first-strike weapons.

I am not alone in this, Mr. Speaker. I should like to quote someone who might be recognized by the Party on my left. Mr. Ernie Regehr is the research director for Project Ploughshares. I do not agree with Mr. Regehr very often but I respect him as one who is dedicating his life to examining the question of nuclear armaments. In a letter to *The Globe and Mail* on February 14 he wrote:

> The term "first-strike" is used by nuclear strategists to refer to a pre-emptive nuclear attack by one side against the other's nuclear weapons system—
>
> Any country pursuing a first-strike capability would build weapons systems that are highly accurate, with a short warning time—
>
> Any country pursuing a first-strike capacity would be unlikely to rely on cruise missiles—

Another authority, Adam Bromke, who I believe was a former adviser to the President of the United States, said:

> The cruise missile is not an offensive, "first strike" weapon. The Soviets, in fact, are more concerned about the deployment in Europe of the Pershing II—

If one compares the Cruise missile to the SS-20, the comparison is not too favourable for the Cruise. To understand this it should be pointed out that the method of propulsion and the airframe that compose the main components of the Cruise missile are very similar to the German weapon of World War II which was known as the V-1. That is, both vehicles are air-breathing, pilotless aircraft. The improvement in the Cruise missile over the V-I is mainly in the guidance system, which is much more sophisticated. The Cruise missile, however, flies along at 450 to 600 miles per hour and has a range of approximately 1,800 miles. The SS-20, which it is supposed to counter, can cover 1,800 miles in some six minutes whereas the Cruise missile would take three hours to do the same thing.

Much has been made of the fact that the Cruise missile flies close to the ground and cannot be picked up by radar. In opposition to this, one should realize that whether you can pick up the SS-20 or not makes very little difference. There is nothing in any nation's arsenal at the present time that is able to stop the SS-20 from completing its course and landing on the target. Think about that for a moment—the weapon that the Cruise missile is supposed to counter is incapable of being stopped by existing defensive weapons and can go from launch to target, 1,800 miles, in six minutes. The Cruise missile could be shot down by any modern fighter if it had sufficient warning; it can be shot down by enemy ground fire and it takes three hours to cover the same distance.

In view of time constraints, Mr. Speaker, and for other reasons I will leave the history of the Cruise missile to my distinguished colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald), who will go into that aspect of the debate, considering that the two-track decision was taken in 1979.

A year or two after that the NATO allies announced the development of the Pershing II and the Cruise missiles must go ahead if a self-imposed deadline were to be met; that is, that deployment should start in the late fall of 1983 or in early 1984. This announcement served to bring the Russians to the negotiating table in Europe. Unfortunately, little has developed until quite recently. I for one am very encouraged by the developments of the last six months. I agree with those who say that the fact that the Russians have made concessions is not unrelated to the NATO decision to go ahead with the deployment of the Cruise and the Pershing II and to show their united determination on this matter. It is partly because of the request of the other nations in NATO that the United States has taken a conciliatory attitude as well. I feel much more optimistic than I did six months ago about the likelihood of us taking some strides towards what we all wish to do, and that is to reduce the risk of nuclear war and reduce nuclear armaments to a manageable level at least. It is to be hoped that some time in the future we will do away with them altogether.

As to the decision at the present time as to whether we should test the Cruise missile, we should bear in mind that the missile will not bear nuclear arms in Canada. We should also bear in mind that for the last 37 years we have had the benefit

of the protection of NATO and the alliance. We have not been a strong ally, while expecting to have the protection. There is a limit, I expect, to the extent to which our allies would be willing to accept our non-effectiveness. That might well be when we not only preach to them about nuclear weapons but would refuse to allow them to be able to test the carrying vehicles in Canadian skies. If we expect to be treated as a member of the alliance, then surely we must expect to contribute something.

I suppose the whole question comes down to whether or not nations can trust each other. There has been little in the behaviour of the U.S.S.R. in the post-World War II era to instil confidence in us that they can as a nation be trusted. I do not believe that the people of Czechoslovakia, Poland, Hungary or Afghanistan believe that Russia can or should be trusted. This presents real difficulty, of course, on the international stage. All Canadians, in fact all intelligent beings on earth, hope that nuclear arms can be first restricted, then reduced, and that greater security can be brought about by that means.

• (1240)

The main difference, in truth, between the peace activists and the rest of us, is how to get from the position we are in now to that future day when we hope to have the world not absolutely nuclear free, but at least have clear evidence of control. What I am saying is that our aim is identical. We wish to have that peaceful world where we can rest assured there is control over the defence forces which will lessen the likelihood of an outbreak.

The question is how we get from here to there without endangering ourselves unduly. I doubt if unilateral disarmament is the way. I doubt if sanctimonious protestations of our own purity will guarantee our safety. The recent statements made by the U.S.S.R. that they might be adopting a policy of launch and warning is what used to be called "sabre rattling".

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member for Victoria (Mr. McKinnon) but his time has expired. He can continue with unanimous consent of the House.

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Corbin): Agreed.

Mr. McKinnon: I wish to thank my colleagues for the extended time. There is no evidence in our recent history that disarmament leads to peace. In fact, the nations which have fallen to aggressors have been those with weak forces and no allies. All of us, I am sure, certainly the Conservative Party, are in favour of nuclear disarmament, but it must be mutual, balanced and verifiable.

I wish to add a few words which were written to the Conservative Party outlining our policy in this matter on March 29. We have had a long and serious debate in our caucus on this matter. There was a memorandum circulated to all Progressive Conservative Members of Parliament from the Hon. Member for Yukon (Mr. Nielsen) which stated, and I quote:

> As I understood the consensus reached by us last Wednesday, March 23rd, the essence of the Progressive Conservative Party policy on disarmament is to have the Canadian government, with other middle powers, press both the Soviet Union and the United States to make progress in the Geneva negotiations for mutual, balanced and verifiable cuts in nuclear arms.
>
> We call for productive negotiations that will result in a balance so that no new nuclear missiles will be deployed in Europe.
>
> If the negotiations fail and NATO's deployment of Cruise and Pershing missiles proceeds, we support the testing of the Cruise missile delivery system in Canada.
>
> Canada's defence budget and our alliance with NATO must remain strong, as our contribution to maintaining security against a conventional attack.

Thank you, Mr. Speaker.

Mr. Keeper: Mr. Speaker, I would like to comment by way of a question to the last speaker. I might say my comments apply equally to the speech of the Minister and I am disappointed that he has already left the House. They both raised the same notion. They tried to attach to the resolution which we have brought before this House the notion that what we are advocating is unilateral disarmament. They also tried to label the peace movement in this country as calling for unilateral disarmament. That is completely false, Mr. Speaker. It is misleading and if is unfair. It is precisely what the Prime Minister (Mr. Trudeau) tried to do in his open letter to the public.

On June 11, Mr. Speaker, we had some 25,000 people in the City of Winnipeg marching against the testing of the Cruise missile in this country. The reason they marched, and in the process formed a complete circle over many blocks, was because they are against Canada participating in the nuclear arms race. They are for multilateral mutual disarmament. They are for negotiations. We must stop this misleading, this attempt to smear the peace movement as being in favour of simply surrendering to the Soviet Union, as the Minister suggested. What we are in favour of is mutual disarmament and we are against this country participating in a nuclear arms race.

Mr. McKinnon: I thought that the new rules included the likelihood of having a question. I am sorry that the Hon. Member for Winnipeg-St. James (Mr. Keeper) forgot to ask his question, if he had one.

He did imply that the Minister and I are on exactly the same footing with respect to this matter. I cannot remember exactly what the Minister said, but I feel fairly confident that an examination of *Hansard* would not disclose where I disparaged the peace groups at all. I feel they are fine citizens, very dedicated and sincerely believe that they are going the right way, as many people in this House who are not going the same way believe that they are going the right way. It is an honest difference of opinion among grown up people.

I do not believe the peace movement is in favour of unilateral disarmament. I believe the idea expressed that there should

be no Cruise testing is symbolic. Cruise testing is not dangerous to the people near the ranges, but it is a handy and convenient symbol. If these people really want to secure peace, and I am sure they do, I feel it would be more logical to try and stop the Pershing II, for example, which really is a much more efficient and stronger weapon than the Cruise missile. However, the Cruise missile is the one which is being tested in Canada so that has grabbed their imagination. I believe they are a fine bunch of people. I have had almost numberless meetings with them this past six months and I have found them to be great Canadian citizens to talk to and I rather like them, as a matter of fact. We have received many a constructive suggestion from them. I have nothing against them at all and I do not believe the Minister has much against them either; but he can speak for himself.

Mr. McRae: Mr. Speaker, I would like to ask the Hon. Member a question dealing with the Cruise missile. The Hon. Member was present when Mr. Anderson, a senior official of DND, stated that the first missile which they would like to test would be an air-launched Cruise missile. He then stated that DND might be interested in testing a ground-launched missile subsequently—"might" be interested. I would ask the Hon. Member, who was the former Minister of National Defence, if he seriously believes that the Cruise missile testing in Canada has anything to do with the ground-launched General Dynamics missile which apparently will be deployed this fall, which will have been ordered in March at the latest with all the specifications built in and which has been thoroughly tested? Or has it to do with the whole SAC Stealth project which will be coming along and which we will be testing next winter? The basic reason for testing it is that they want a polar situation similar to the Soviet tundra area, which does not have the same kind of reference points. Given the statement of the Minister, which was that of the Department and was solicited by the Hon. Member himself, it seems to me at this particular point we are talking about an entirely different situation.

I would also like to ask the Hon. Member—

The Acting Speaker (Mr. Corbin): Order, order. The question has been put.

Mr. McKinnon: I have been waiting some time for you to interrupt, Mr. Speaker. First of all, I am rather surprised that the Hon. Member should not have asked his own Minister of National Defence what Mr. Anderson meant. The Minister has just finished speaking and was open for questioning. Mr. Anderson stated Department policy and it is really strange for me to be held responsible for the answer I received to a question which I asked one of the officials.

The Hon. Member talked about the Stealth system which is coming on. I do not know if this had anything to do with his first question or not. I do not know why the extra issue was thrown in. However, as I understand his question which was included in all that verbiage, it was did I honestly believe that the tests which they are going to carry out at Cold Lake have anything to do with the ground-launched Cruise missile such as will be deployed in Europe. The answer to that is yes. That is because the guidance system is still under test. It is a very complex system, as the Hon. Member no doubt knows. They are testing it in a part of the world which is ideally suited for the test. Therefore there is a connection, that is, as far as I can tell from the word I received—I hate to tell the Hon. Member this in the Minister's presence, but I do receive some word out of the Department occasionally—which leads me to believe that the main purpose of the testing here is going to be the guidance system. We are ideally suited for it. Therefore the answer to the question is yes.

• (1250)

Mr. Anguish: Mr. Speaker, the Hon. Member referred to the drafting of our resolution and that the use of the words "nuclear weapons" was a scare tactic. I admit that if I had personally drafted the resolution it would have included "nuclear warheads" as well. It is interesting that the Member talked about a questionnaire he sent out which said that there would be no nuclear weapons carried during the testing, which also could be a scare tactic as well by implying that at some point there could be nuclear weapons used in the testing process in Canada.

As the Hon. Member knows, I proposed a Private Members' Bill in the House calling for Canada to become a nuclear weapons free zone. The purpose of that, of course, is to have more countries not involved in any way in the nuclear arms race by way of testing or production. Therefore they could work to encourage countries who do possess nuclear weapons to have verifiable, negotiated multilateral arms reduction. I would ask the Hon. Member if he would in fact support a Bill that would declare Canada a nuclear weapons free zone?

Mr. McKinnon: We went through this when the Hon. Member put forward such a Bill, which I found unacceptable for several other reasons. I do not think there was a vote on that Bill in the House, and there were quite a few other aspects concerning this brought up during the debate. I think I pointed out at that time that the Conservative Party is the only Party in this House whose skirts are clean on the subject of whether we will have a nuclear free Canada or not. The NDP voted the Diefenbaker Government out of office on that very issue by aligning themselves with their traditional allies, the Liberals, who were even hungrier for power than they are now.

Miss MacDonald: Including the Hon. Member for New Westminster-Coquitlam (Miss Jewett).

Mr. Broadbent: We will watch your vote today, talking about "allies".

Mr. McKinnon: We are the one Party in this House which has never voted in favour of having nuclear weapons in Canada. That is what it amounts to.

Mr. Anguish: You could answer the question as well, Allan. Excellent politics.

Miss Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, it has been suggested that it might be a good idea to call it one o'clock.

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Corbin): Order. Is there a disposition to call it one o'clock?

Some Hon. Members: Agreed.

An Hon. Member: No.

The Acting Speaker (Mr. Corbin): It is not agreed.

Miss Jewett: Mr. Speaker, in listening to the Hon. Members who spoke subsequent to the introduction of this debate by the Leader of the New Democratic Party, I was struck by the fact that they seemingly missed what it is that the Canadian, American, West German and even the East European public are concerned about. What they are concerned about and what they fear is nuclear war itself.

The words "nuclear war" are a contradiction in terms. The idea of a nuclear exchange being anything like a conventional war is absurd. When the Minister of National Defence (Mr. Lamontagne) and the Hon. Member for Victoria (Mr. McKinnon) refer back to World War II and suggest that somehow a nuclear exchange would be in any way comparable to that, they are absolutely and totally wrong. They remind me of the woman who felt very deeply about it and who said: "I don't want to send my boy to a nuclear war".

Mr. Lamontagne: Any war.

Miss Jewett: The Minister says "any war". Once again he shows that he has simply not yet grasped the fact—

Mr. Lamontagne: You have to prevent any war.

Miss Jewett: —that a nuclear exchange would mean a nuclear holocaust and not a war in the conventional sense of the word. That is what is frightening people. That is what has everyone marching and protesting. Their leaders do not seem to understand that nuclear war is impossible. It would be nuclear holocaust.

At one point in his speech the Minister said that nuclear weapons may be used. Once again he is apparently under the impression that nuclear weapons serve a military purpose. As many military people will tell him, as Lord Louis Mountbatten wrote so eloquently, nuclear weapons serve no military purpose whatsoever. The minute a nuclear weapon is used, or possibly even a warning that a nuclear weapon might be used leading to an attack on warning, there will be no limitation of the nuclear exchange that will follow and millions upon millions upon millions of people—two-thirds, three-quarters or four-fifths of the whole northern hemisphere—will in a few hours' time die.

Another related reason why people feel so insecure over the possession by many countries now of nuclear weapons is that they have no voice whatsoever in their possible use. There is no sense of public participation in a nuclear holocaust, except the participation that comes with annihilation, annihilation without representation. They have no voice.

I will call it one o'clock, Mr. Speaker.

Some Hon. Members: Agreed.

[*Translation*]

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

TRANSPORT

BILL C-155—CROWSNEST TARIFF—PROGRESSIVE CONSERVATIVE PARTY'S POSITION

Mr. Gaston Gourde (Lévis): Madam Speaker, yesterday, the following headline appeared in *Le Droit:* "The Leader will speak for the Party", and the newspaper was quoting Brian Mulroney.

In her article, the reporter said that Mr. Mulroney would not tolerate Members of his party making statements on all kinds of issues. He added, however, that he would be consulting his Members.

In view of these two statements, I would appreciate it if the new Leader would publicly state his position on the new grain transportation policy, better known as the change in the Crow rate.

First of all, I would like to know whether he agrees with Bill C-155 which is now before the House, and second, whether he agrees that grain transportation subsidies should be paid in full to the railway companies.

The Canadian people have a right to know the position of the Progressive Conservative Leader, especially since the debate on this question is to resume on Thursday. The Leader of the Liberal Party and Prime Minister has only a few seconds to answer such questions in the House, and I shall therefore give the new Leader two days to make his position on this issue clear to the Canadian people.

S.O. 21

[*English*]

NUCLEAR ARMAMENTS

TESTING OF CRUISE MISSILE—HAZARDS FACED BY CIVILIAN POPULATION

Mr. Dave Nickerson (Western Arctic): Madam Speaker, while the Progressive Conservative Party staunchly supports Canada's commitment to NATO and, in principle, supports the testing of unarmed Cruise missiles in Canada, it is obvious that specific approvals cannot be given until full knowledge of any given test proposal is made available.

As the Member of Parliament for the region over which the testing of the Cruise missile may take place, I insist that public safety of people close to the flight path be of prime consideration, and that testing not take place until it be demonstrated that there be no danger involved for the residents in the test area.

We must be assured that the missile performs properly on short range tests in the U.S. before long range trials take place in Canada. We must be assured that the proposed flight path is nowhere near inhabited settlements.

We must know what will happen in case of a malfunction during flight, and what precautions have been taken against this possibility. Only after these and numerous other questions have been answered can we be sure that the tests can take place without danger to Canadian citizens or to their property.

* * *

SPORTS

NATIONAL HOCKEY LEAGUE—DENIAL OF FRANCHISE TO SASKATOON

Mr. Bob Ogle (Saskatoon East): Madam Speaker, yesterday, the National Hockey League took over the St. Louis Blues. NHL President, John Ziegler, said the League will "try to find suitable ownership that will take over the team and operate it in St. Louis". As you know, Saskatoon had already put in a bid, "cash on the barrell", to buy the St. Louis Blues and move the team to Saskatoon. That bid was refused by the NHL. Personally, I was not surprised. Professional hockey is big business, and the lords and barons of big business do not really care for little folks. Many hockey fans are from the rank and file of Mr. and Mrs. Ordinary Person.

In Saskatchewan people are born and bred hockey fans. They grow up in the "hockey player factory of the world". Saskatchewan is Gordie Howe country, Bentley country, Metz country. Mayor Cliff Wright of Saskatoon, Bill Hunter, and many others have worked hard and seriously to see that professional hockey comes to Saskatchewan. They are not going to stop now. Yesterday Mayor Wright told me that he was very pleased with the rapid progress being made in the inquiry under the Combines Investigation Act, and the serious way in which the matter was being taken.

Other NHL teams are in trouble and will be coming up for sale. If John Ziegler feels he can stop Saskatoon by letting the League take over losing teams, he should pause to reflect.

Lastly, Saskatchewan is "next year" country. Every Saskatchewan-born person always knows that if you get "hailed out" this year, all you have to do is wait for next year.

In this vein, all seven Saskatchewan NDP federal Members are "on side" and support the efforts of Saskatoon and Mayor Wright to make Saskatchewan a National Hockey League Province.

* * *

METRIC CONVERSION

AIR CANADA—USE OF IMPERIAL MEASUREMENT IN IN-FLIGHT ANNOUNCEMENTS

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, on Sunday, on board Air Canada's Flight 472 en route from Toronto to Ottawa, the captain announced to the people that we were flying at an altitude of 20,000 feet above ground level.

It is of concern to me that a Crown corporation, which provides such an important service to the public, continues to use imperial measurements—

Some Hon. Members: Hear, hear!

Mr. Hudecki: —even though Canada has metric legislation in place. One would expect that under these circumstances a Crown corporation would be among the first to join in converting—

Mr. Nielsen: That's for air safety.

Mr. Hudecki: —its measurements to the metric system, or would at least use both systems of measurement as an interim policy while people adjust to metrication. All Crown corporations should share in the responsibility of helping to educate the public to use the metric system.

I do not know if making announcements about the altitude in feet is a general policy of Air Canada, or whether a choice is given to the individual pilots on whether they may make announcements in either metres, or feet, or both.

In light of the fact that Air Canada is a Crown corporation, and that the move to metric conversion is a reality in this country, I would urge the Government to insist that Air Canada and all other Crown corporations—

Mr. Domm: Put them in jail!

Mr. Hudecki: —fulfil their obligations to convert to the metric system.

TOURISM

CALL FOR MEASURES TO PROMOTE INDUSTRY

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, it was encouraging to see the reduction in our tourist deficit from $1.09 billion to $1.05 billion in the first quarter of this year compared to the same time last year.

However, the bad news is that our two main airlines are again requesting a further increase in their fares of 5 per cent, for what they claim is compensation for losses caused by the recession.

To me, and to the business community, one does not further penalize one's customers by making them pay a higher price for a product without first making every attempt to cut fat and waste from the overhead.

By raising travelling costs, by charging double the cost of a gallon of gasoline more than is paid by our neighbours to the south, by excessive taxation on spirits, and the high cost of accommodations in Canada, everything possible is being done to discourage foreign tourists from coming to Canada, and to negate real opportunity to increase tourism and to reduce our tourist deficit further.

Our country has the potential to offer tourists every type of holiday and relaxation package that is possible. All we need is for all of us and all our Governments, municipal, provincial and federal, to work together and dovetail all our efforts, and to withdraw or negate all legislation that is detrimental to tourism. As well, it is essential to give the more than 100,000 tourist operators in Canada the assistance needed to develop this very important industry to its full potential. It is my hope that all this will be noted by all Governments, and that some positive action for the Canadian tourist industry will finally be undertaken.

* * *

THE ADMINISTRATION

DINNER INVITATIONS—CONDEMNATION OF GOVERNMENT POLICIES

Mr. Doug Lewis (Simcoe North): Madam Speaker, my fancy engraved invitation states that all Members of Parliament are being invited to the Six and Five Awards Dinner—

Some Hon. Members: Hear, hear!

Mr. Lewis: —by the Secretary of State Mr. Joyal and a member of the other place.

Mr. Nielsen: Keith Davey.

Mr. Lewis: At a time when there are more than two million Canadians out of work, desperately looking for jobs, at a time when personal and business bankruptcies have reached an all-time high, at a time when Canadians are still faced with no protection from high interest rates on their mortgages, at a time when the Government cannot even process income tax returns, at a time when its credibility is at an all-time low due to the Gillespie affair, the Maislin bailout, and the Canadair fiasco, with all of these other scandals, we suggest—

Some Hon. Members: Order.

Mr. Lewis: —that the Liberal Government should turn its attention to the problems of Canada and forget about fancy dinners and self-congratulatory advertising schemes.

Some Hon. Members: Hear, hear!

Mr. Lewis: There it is. Read it!

* * *

NUCLEAR ARMAMENTS

OPPOSITION TO UNITED STATES REQUEST TO TEST CRUISE MISSILE

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, today I would like to put into the public record my own personal opposition and that of the New Democratic Party to the proposed testing of the Cruise missile, and take this opportunity to urge the Liberal Government to refuse the request of the United States Defence Department to test the Cruise missile in Canada.

I am not only opposed to the testing of this single weapons system, but I am also opposed to the testing or build up of all nuclear weapons and weapons systems wherever these occur or may occur. I had proposed in my private member's Bill, Bill C-678, an Act declaring Canada a nuclear weapons-free zone, that we join with others who also desire a world free of nuclear arms. At the present time there are six nations in the world which can set off a nuclear explosion, and which possess nuclear arms. It is also speculated by some that Israel, South Africa, and Pakistan also have the capability or soon will have the capability to use nuclear weapons in some cases. In addition to that, we have documented proof that there are another nine countries that could come into the nuclear weapons field within the next couple of years.

• (1410)

An intelligent and compassionate Canadian Government would be taking steps to halt the nuclear arms race. We are traditionally a peace loving and a peace keeping nation. We have the ability to exercise our traditions on the world stage. I believe that now is the time to do that. Now is the time to play a more meaningful role, and we should begin by refusing to test the Cruise missile.

Madam Speaker: Order.

S.O. 21

NUCLEAR ARMAMENTS

VOTE ON TESTING OF CRUISE MISSILE—MEMBER'S POSITION

Mr. Paul E. McRae (Thunder Bay-Atikokan): Madam Speaker, I rise to indicate my strong opposition to the flight testing of the air launched Cruise missile. The testing will not add to the ground launch missile being deployed in Europe but is based on SAC needs and the preparation for the production of 7,000 to 8,000 stealth Cruise missiles making, among other things, long-term arms control impossible.

I object at this point to a polarizing vote in this House on the subject. Since the vote is a matter of confidence in the Government, I will not vote against the Government—

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. McRae: —because it is my belief that within the Government there is growing support for not testing the Cruise missile. A vote that would defeat this Government would turn this matter over to Mr. Mulroney—

Some Hon. Members: Hear, hear!

Mr. McRae: —an avowed supporter of Mr. Reagan.

Given the alternatives, and the desire for my Government to change its policy, it is my intention, along with some other Members on this side, to refrain from adding to the polarization by not voting, unless the Government is clearly threatened.

* * *

TOURISM

PROJECT TO BUILD RESORT FACILITY IN PARRY SOUND-MUSKOKA RIDING

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, there are two featured articles on the front page of last Thursday's Parry Sound *North Star*, one of the great weeklies in my riding—

Some Hon. Members: Hear, hear!

Mr. Darling: —that together tell us a lot about the effect of government policies out in Main Street, Canada. One says, "105 jobs foreseen in construction of $5 million resort." The other says "Only 52 out of 176 CIL Nobel employees to retain jobs."

Under the terms of the COED Program which is the NEED Program as applied to Ontario, the federal and provincial Governments are combining to build a resort facility in the riding, which will create 105 jobs. The catch is that those jobs last for only 2,538 work weeks, or an average of 24 weeks each. At the same time 124 family bread winners in nearby Nobel are left permanently without a livelihood.

It is all very well to shrug and say, "Well, think of how much worse it would be if the NEED program were not in place." It would be never so much more constructive to point out how much better it would be if this Government were not in place.

Let us not lose sight of the desperate economic situation in which Canadians find themselves with the worst "misery index" in the western world. This is the direct result of the policies selected and followed by the Government.

Madam Speaker: Order, please.

* * *

SCIENCE AND TECHNOLOGY

CALL FOR ESTABLISHMENT OF PARLIAMENTARY COMMITTEE

Mr. Ian Waddell (Vancouver-Kinsgway): Madam Speaker, today Mitel Corporation of Kanata, in the Ottawa Valley, saw its shares drop substantially due to IBM plans to buy a 15 per cent interest in Rolm Corporation, which is Mitel's leading rival in the switching system market. Mitel lost a key contract. It shows the volatility of the new high tech market. If Mitel collapses, what will happen to its workers? An assembler, one of 152 workers laid off recently by Nabu Technology, said:

> All high tech workers in the region better take notice of what's happening at NABU. We are among the lowest paid and most vulnerable industrial workers and we are all going to get the shaft.

We cannot be Luddites, that is, resisters to technological change. But neither should we be Atari Liberals, those who believe that all the answers will come from technological change.

Marshall McLuhan once said, "New means create new ends as new services create new discomforts." That is all the more reason why, in light of these recent developments, we should get going with a House of Commons committee on technological change, and learn to control high technology for the benefit of Canadian workers.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MAYOR OF BETHLEHEM

Madam Speaker: I would like to draw the attention of the House to the presence in our gallery of Mr. Elias Freij, Mayor of Bethlehem.

Some Hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

UNEMPLOYMENT LEVELS—PROJECTION OF FUTURE JOB LOSSES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is for the Prime Minister who, as we know, has been in office for something over a decade now, a time during which the nation has been plagued with rising unemployment to the point where we now have one million more Canadians out of work than ten years ago. Most alarmingly we find that Data Resources of Canada project that this situation of having an extra one million Canadians unemployed will continue right into the 1990s. Would the Prime Minister explain to the House how we have slipped into this predicament of so many working people being without jobs? Can the Prime Minister offer any hope that the projected almost chronic unemplyment that we foresee in future years will not, in fact, materialize?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I could explain. I am not sure the Hon. Member would accept or understand the explanation.

Mr. Stevens: Try me.

Mr. Trudeau: It will take a little bit of time. If the Hon. Member is patient, I will give him various reasons why this has happened. In this period of time there is a developing of new technology. There is an emerging in the Third World of countries which are getting not only into export markets that we had held in the past but are also developing higher technologies than some of the newly industrialized nations. There is a complete restructuring of the patterns of international trade. There has been a world-wide economic slow down, of which every one of the industrialized nations has been a victim. That has been caused in part by very high interest rates. That, in turn, was caused by very high inflation.

The inflationary expectations, Madam Speaker, were a result of a series of events going back to the late 1960s and the early 1970s, a time when inflation was still relatively low but when unemployment was showing signs of creeping up to 5 per cent and 6 per cent, and when the consensus, not only of the economists and specialists, but, I believe it is true to say, of most informed members of the public, was that we should try to stimulate the economy in Canada at that time to bring unemployment down from a rate which was around 6 per cent.

Unfortunately, other countries at the same time were responding to the same kind of political and social pressure. They, too, were stimulating their economies at the same time, and we laid the basis—

An Hon. Member: Speech.

Mr. Trudeau: I have been asked for a speech. So, if the Hon. Member will be patient, I will come to the 1980s if he lets me finish with the 1970s.

Mr. Epp: You will be finished in the 1980s.

Mr. Trudeau: There was, therefore, a reinforcing of inflationary pressures by the economic policies of the major industrialized countries. At the same time, Madam Speaker, there was a crisis in food production.

Madam Speaker: Order, please. I know the question was quite general and, therefore, the answer has to be that way. But I think I have to interrupt even this answer and ask everyone to be as brief as possible. The Hon. Member for York-Peel (Mr. Stevens).

PRODUCTIVITY GROWTH RATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my supplementary, of course, is for the Prime Minister. He has referred to changing technology during this period, and he is undoubtedly aware of a very recent report from the Conference Board in Canada. It points out that one of the disappointing aspects of the Canadian economic performance over the past decade has been the sharp deterioration in productivity growth.

• (1420)

As the Prime Minister undoubtedly knows, since 1977, while our productivity growth was flat, in Japan it went up 29 per cent, and in England it went up 13 per cent.

Madam Speaker: Order, please.

Mr. Stevens: My question to the Prime Minister—

Madam Speaker: Order, please. I will stop it right now because the whole Question Period will go that way. The Hon. Member's question should be brief, as should the answers.

Mr. Stevens: If technology has been the problem leading to our unemployment, why is Canada's record the worst of major industrial nations, for productivity growth?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is just making up that statistic. It is not the worst. Some countries have been successful in productivity. The Hon. Member mentioned Japan, but most of the other industrialized countries, including the United States, have suffered very low rates of productivity, presumably because in the previous part of the economic cycle productivity had been very high in Canada and in the Unites States.

What happened in the 1970s was that Canada had the fastest rate of job creation of any industrialized nation. We were dedicated then to the creation of jobs. I repeat that we had the fastest growing labour force of any of the major industrialized nations and that we had a record much higher than even Japan or the United States in job creation. We tackled that problem.

In so far as technology is concerned, the Hon. Member has heard the budget speech. He has heard the Minister of Finance indicate the funds which would be going into research and development. He has heard the Minister of Finance announce

the creation of a centre for productivity. We are asking for the co-operation at this time of the various decision makers in society to help us with that centre. I am talking of the labour side and of the managerial side.

COMPARISON WITH UNITED STATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, again my question is directed to the Prime Minister who, undoubtedly, is taking some comfort today in the plight of other countries. If he wants to compare Canada, perhaps he would compare its record with that of the United States since 1975, where we find that our real growth has been less, our employment creation has been less, and our unemployment has risen faster. Why are the Americans more successful in coping with current economic conditions in the world than his Government in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I do not know to what period the Hon. Member is referring. If we take the whole period of the 1970s, or indeed the whole period since 1968, which is the date that sticks in the Hon. Member's craw, we have created jobs at a faster rate than the United States and, indeed, than even Japan. We had to be attacking the problem of unemployment here—of employment, rather—because we had the fastest growing labour force. There were other countries like Germany and Switzerland which could export their unemployment by sending their gastarbeiten home. We did not use that approach in Canada. We created jobs.

So far as the ranking of Canada is concerned, the Minister of Finance just handed me an analysis in *The Gazette* this morning which indicates that Canada has gone up in the past year from twelfth to sixth. Even if the Hon. Member is only looking at the past year, he has the answer. If he wants to look at the whole period of the decade, I repeat that in terms of job creation, in terms of unemployment fighting, in terms of bringing down inflation, and in terms of exports, we rank among the two or three best. In some instances we are the best, such as job creation. In others, such as inflation, some other countries did better than we did. But on the average we did very well, and the Hon. Member should not try to hide that.

* * *

LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE—PROGRESS OF MEDIATION

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I have a question for the Minister of Labour regarding the grain handling situation on the West Coast. I know the Minister appointed Mr. Kelly on Friday as labour mediator. He is a well respected person in that field. Also we know that the parties met yesterday and again this morning at 9.30 Vancouver time. Could the Minister bring us up to date on how the negotiations are progressing?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the Hon. Member has correctly stated the situation. Meetings are taking place. It would be inappropriate for me to make any further comments, except to say that we have a highly respected official representing Labour Canada involved, and that we hope the outcome will be a positive one.

Mr. Mayer: I appreciate the Minister's response.

ROLE OF DEPARTMENT

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I would just like to point out to the Minister that this is a very crucial industry not only to western Canada but to the country as a whole, and that it would be very unfortunate if there were any kind of work stoppage in this vital industry. Again I ask him to ensure that his Department stays involved to see that everything is done and that there is a settlement without a work stoppage.

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the presence of the senior assistant deputy minister in charge of mediation is proof of the importance the Government attributes to this particular situation.

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NUCLEAR ARMAMENTS

REQUEST FOR NEGOTIATION OF TEST BAN TREATY ON AIR LAUNCHED MISSILES

Hon. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Prime Minister concerning nuclear disarmament. He knows that the two series of talks taking place in Geneva on nuclear disarmament do not have any relevance whatsoever to the testing of air launched Cruise missiles either by the Soviet Union or by the United States. To be specific, even if an agreement is reached in those talks at Geneva, for which we all hope, it would still permit either the United States or the Soviet Union to test an air launched Cruise.

Given the qualitative horrific nature of that particular weapon, and the possibility of both the United States and the Soviet Union proceeding each in its own way to test it, will the Prime Minister take an important step for peace and propose to each country that they begin negotiations, with the view of obtaining agreement on a test ban treaty on air launched Cruise missiles?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as far as test ban treaties are concerned, certainly I can indicate that Canada will continue advocating them and, indeed, trying to enjoin the major nuclear powers to accept a general test ban treaty, not only a partial one. The Hon. Member is correct in stating that Cruises are not directly involved in the negotiations in Geneva. Perhaps is talking in the sense that they were not excluded in SALT II, that neither side found it advantageous to say that they would not be developing the Cruise. Of course he is not correct if he is

implying—and I do not think he is—that the INF negotiations going on at this time are not concerned with the Cruise. They are. For instance, we know that during the walk in the woods between the two main negotiators there was a recognition by both sides that there would be some Cruise deployed.

I am in sympathy with the hopes of the Hon. Member that there would be a total test ban, but I have to point out to him that it is well known at this time that the Soviets are testing Cruise missiles. They have an advance over us on the short range missiles; they are testing long range missiles. Secretary Andropov said so publicly last December. Therefore the case we have to solve is whether we should unilaterally stop testing when we know this and the other side says that it is testing.

REQUEST THAT PRIME MINISTER INITIATE NEGOTIATIONS

Hon. Edward Broadbent (Oshawa): Madam Speaker, the precise point at issue is to present a concrete challenge, both to the Soviet Union and to the United States, on their willingness with reference to this very specific weapon, to enter into a test ban agreement. I suspect that in his conversations with Mr. Gorbachev, when he was in this country, the Prime Minister might have had with him on this matter and might have obtained some indication that the Soviet Union might be interested in that. I do not know. It will be interesting to see what the Prime Minister says.

• (1430)

I repeat the question. In the interests of mankind in not having either country proceed with the development of this missile beyond the level of development that has already taken place, will he go out front and publicly urge both the United States and the Soviet Union to negotiate toward a test ban treaty concerning air launched Cruise missiles?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, that, of course, is exactly what I urged when I proposed in 1978, and again in 1980, the strategy of suffocation. By another name, that is stopping of all testing of new weapons and new weapons delivery systems whether they be in the laboratory or on the ground. That is what I proposed to both sides. As I have reported repeatedly to the House, neither the Americans nor the Soviets, nor for that matter the French nor the British, have been prepared to say that they would no longer test weapons. There is a partial test ban treaty but it does not cover delivery systems. It does not cover developing new weapons. It does not even cover testing those weapons by underground explosion.

Once again, I can only say that certainly this side of the House is very anxious to see that kind of a treaty be developed. I did not talk directly with Mr. Gorbachev on that particular subject. I did talk a great deal about the SS-20s and asked why they were deployed. I had occasion to report on that to the House previously.

Mr. Broadbent: Madam Speaker, the Prime Minister knows that the proposal he made at the United Nations, with which we are in sympathy and which he acknowledged obtained agreement from neither side, goes well beyond the very specific kind of test ban treaty I am talking about, which refers exclusively to the air launched Cruise missile.

REQUEST THAT FREE VOTE BE HELD ON CRUISE TESTING ISSUE

Hon. Edward Broadbent (Oshawa): Madam Speaker, I have a final question concerning a point raised by one of the Prime Minister's own Members earlier today on the importance of this issue to Canada. Will the Prime Minister take steps to ensure that his House Leader will view the vote that will take place later today on the important matter of testing the Cruise in Canada as not being a vote of confidence, and therefore allow his Members to vote as their consciences dictate? I assure the Prime Minister that is the way we would view this matter on this side of the House.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am afraid I cannot answer that particular suggestion with as much understanding and sympathy as I tried to understand the two previous ones. The NDP is playing games, just as the Tories played games when they had a non-confidence motion on property rights. We are voting the last supply day today. The fate of the Government hangs on whether we get supply or not. If the Hon. Member is suggesting that we change the rules and we get unanimous consent that this not be a supply vote or a confidence vote, and if they now report to me that there has been agreement, I will consult with a few Ministers and give an answer. As far as I know, the question is hypothetical. If we are going to change the rules and say that a non-confidence motion is not a non-confidence motion, then I hope we will do that on many occasions other than just this one.

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SPORTS

DENIAL OF NATIONAL HOCKEY LEAGUE FRANCHISE TO SASKATOON—REQUEST THAT PRIME MINISTER INTERVENE

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is directed to the Prime Minister. The National Hockey League is resorting to extraordinary efforts to keep the St. Louis Blues franchise from coming to Saskatchewan. It includes the disbanding of the team and the dispersal of its players. I know that the Government has been helpful in terms of the Combines Investigation Act. I appreciate that very much, as do many Canadians. I would like to ask the Prime Minister whether, on behalf of the Government and the people of Canada, he would be prepared to communicate with the President of the Board of Governors of the National Hockey League, Mr. John Ziegler, indicating support for the application by Saskatchewan for the transfer of the National Hockey League team to that Province.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I have been discussing this very matter with some of

my advisers, including the Minister of Consumer and Corporate Affairs and the Minister responsible for sport. I have had the advice of one of our good Saskatchewan Liberals, Mr. Doug Richardson. I am happy that there is also one elected Tory who is interested in this matter. I will report to him later today or this week as to whether there is some way in which I can use my good offices to influence the President of the National Hockey League.

REQUEST FOR FAIR HEARING

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I can only thank the Prime Minister for his consideration of this important matter which has the support of so many Canadians and which, in my opinion, is an important ingredient in terms of national unity. Indeed, I understand that the Members of the New Democratic Party are changing their position and may in fact support this application. In view of the fact that Saskatchewan has contributed so much to the National Hockey League, and that indeed the people of Canada in various ways support the National Hockey League, such as through the use of the air waves and the amateur draft, supported by taxpayers' money, is it not a reasonable expectation for the people of Saskatchewan to get a fair hearing from the NHL for a legitimate application for a franchise within their Province?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is making a representation. I have indicated to him that I have had such representations from people on this side. I hope they will be made known to the President of the National Hockey League and the members of the board.

* * *

AUTOMOTIVE INDUSTRY

TASK FORCE RECOMMENDATIONS—MINISTER'S POSITION

Mr. Otto Jelinek (Halton): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. The much heralded task force report on the auto industry was presented to the Minister nearly a month ago, yet the Government continues to keep this vital sector in the dark, denying the opportunity for long-range planning in that industry and thereby creating the potential for massive employment. Can the Minister tell us at least whether he supports the thrust of the report, if not the details of it? If so, what is he going to do about it? If he has not made up his mind about the report, when, for goodness sake, is he going to come up with a decision so the industry will know where it is heading?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, as I indicated the day after the report was made public, the Government will be giving serious consideration to the recommendations of the report, particularly because of the dedicated work the members of the task force put into it. We will discuss the report over the course of the summer and respond some time in the fall.

Mr. Jelinek: Madam Speaker, the industry wants to know how long the Government will take to come up with a decision. That is the question I put to the Minister.

VOLUNTARY RESTRAINTS ON JAPANESE IMPORTS—EXPIRY OF AGREEMENT

Mr. Otto Jelinek (Halton): Madam Speaker, in the absence of the Minister of State for International Trade I wish to direct a question to the Minister of Industry, Trade and Commerce. With respect to the voluntary restraints on Japanese auto imports which expire at the end of this month, the travelling but ineffective Minister of State for International Trade said in this House last week that a decision will be made soon on that and, if not, he would "recommend other appropriate steps to the Government". Can the Minister tell this House and the industry whether an agreement in fact will be forthcoming before the end of this month when it expires and, if not, what those other so-called "appropriate steps" will be that the Minister of State for International Trade was talking about?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, with respect to the first part of the Hon. Member's question, if he checks he will find that the co-chairmen of the task force indicated that they did not expect to get an answer on the major thrust of the task force recommendations until the Fall. Our thinking is along the same line. Regarding the Member's second question, I do not profess to speak for any of my colleagues. When the Minister of State for International Trade returns, I am sure he can answer the Hon. Member more directly than I can.

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NUCLEAR ARMAMENTS

TESTING OF CRUISE MISSILE—TIMING OF GOVERNMENT DECISION

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, I wish to direct a question to the Prime Minister regarding Cruise missile testing. The Prime Minister has said on many occasions, most recently on March 24, and I quote:

• (1440)

—our judgment of how the other track was proceeding—

That is negotiations.

—would influence us in deciding whether we would go with the Cruise or not.

On June 1 the Prime Minister said that he would hope to be hearing "very specific proposals rejected or accepted before the end of December", in Geneva. May I ask the Prime

Minister if this therefore means that there would be no question of accepting the request for testing the air launched Cruise missile before December?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, when I made that statement I did not know when the request would be made of us. It was made of us yesterday. I answered a question in the House yesterday indicating that we would be examining this question, that the Minister of National Defence would be bringing his appreciation of the situation to his colleagues, and that we would be making a decision. I do not know when we will be making that decision, Madam Speaker.

I do know that there has been some indication of flexibility by both sides in recent months. Secretary Andropov moved some distance in December and then he moved again in March, I believe it was, when he offered to count warheads rather than delivery missiles. President Reagan has made other moves as regards the hotline, and has made other suggestions as regards confidence building measures, but also very recently he has made an offer to count warheads rather than missiles, and he has not held to the figure of 800 and some, which he wanted the START talks to bring the Soviets down to. He has recognized that the Soviets wanted more than that number.

There has been some show of flexibility on both sides. I can only say that the Government will continue to pursue its duties as it sees them under the two-track system, and we will continue monitoring the situation. The Cruise, in terms of the request itself, will only be tested next year, but it is logical that Canada continue to act as though it had confidence and faith in its main ally.

REQUEST THAT DECISION BE POSTPONED

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, the Prime Minister said that the Cruise would only be tested next year. May I remind him that he said quite explicitly that the negotiations would influence us in deciding whether we would test the Cruise or not. From what he has said, negotiations are proceeding, both sides showing some flexibility. I therefore repeat my question. Will he allow a really adequate length of time for negotiations to continue, both IMF and START, as the air launched Cruise has more to do with START, before there is any thought whatsoever given to testing the Cruise?

Right Hon. P. E. Trudeau (Prime Minister): Indeed, Madam Speaker, I have said that negotiations will influence us, and that is why I have given examples of the negotiations which have influenced us. I must say that I feel more secure with the possibility of successful negotiations now than I felt several months ago before Andropov and Reagan made their offers. So, Madam Speaker, that is the only answer I can give. We have to make our decision on the basis of the facts as we know them and as we see them.

NATIVE ECONOMIC DEVELOPMENT FUND

CRITERIA GOVERNING EXPENDITURE OF MONEY

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is directed to the Minister of Indian Affairs and Northern Development and deals with the approval that Cabinet gave to an expenditure of $345 million known as the Indian economic development fund. I would ask the Minister whether this money is to be spent in accordance with the Cabinet memorandum of April 29, namely, that the money is not to be spent in accordance with need or with any social objectives such as housing but rather in accordance with criteria designed to promote urban entrepreneurship and to promote the rewarding of Indian entrepreneurs who are Liberal supporters.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, it is not an Indian economic development fund, it is a Native Economic Development Fund. It includes Metis and other natives. As well, Madam Speaker, my colleague, the Minister of State for Small Businesses and Tourism, has responsibility for the corporation. I believe that the Hon. Member should direct his comments to that Minister.

MINISTERIAL RESPONSIBILITY

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, if the Minister thinks that the people for whom he has a very special trust responsibility are not natives, then I would like him to explain his portfolio. He has a very special trust responsibility and I wonder how he can exercise that trust responsibility, a component of which is economic stability in native communities, when he gives away $345 million to a colleague of his who manages small businesses.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, I did not say that Indians were not Natives. I did say that the title of the fund is the Native Economic Development Fund, and that includes Metis and Indians. If the Hon. Member will direct his question to my colleague, the Minister of State for Small Businesses and Tourism, who has already consulted with Mr. Ahenakew, head of the AFM, about his participation in it, I am sure that the Hon. Member will find that there is no doubt that they will receive moneys in addition to the Indian economic development moneys that are already in the Department that we disburse each year for Indian economic development. Therefore, Indians will have two pools of funds from which to draw in order to get ahead with native economic development.

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INDIAN AFFAIRS

FREEZING OF BAND TRUST ACCOUNTS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, my question is also directed to the Minister of Indian Affairs

and Northern Development. Bankruptcies will force band councils to close down their administration offices very soon if the Minister continues to freeze their trust accounts as he refuses to negotiate with them a mutually acceptable accounting practice. Does the Minister recognize the administrative difficulties caused by and the paternalistic effect of withholding Indian bands' own trust accounts unless they submit to his financial circulars?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, I have found, and again this may be an example of it, that when Indian financial matters are such that they might result in some non-Indians in a community not getting paid, then the Hon. Members opposite are all too ready for me to become paternalistic and interfere in Indian affairs. I would like all Hon. Members to remember what the Official Opposition are now saying. They do not want a Minister who is paternalistic and who will interfere in financial handlings, and I wish that in asking future questions they would be consistent throughout the remainder of this Parliament at least.

It is very refreshing for me to hear that the Hon. Member does not want this Minister to interfere in the financial affairs of the bands. I can only tell him that any interference in the affairs of the particular band in question, Madam Speaker, has happened simply because the affairs have been found to be irregular, and not because we wish to be paternalistic. Under the Financial Administration act, certain actions are required on the part of our Department. Until Parliament wishes to change those regulations, we are bound by Parliament to carry them out.

BAND RESPONSIBILITY

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, the Minister professes to be doing everything possible to transfer decision-making authority to Indian bands, yet in the case of the Stony Indian band, where Indian mineral contracts were renegotiated without the band's knowledge or participation, his actions were inconsistent with what he just told me. I wonder whether he is continuing this practice or whether he will in fact live up to his promise to turn decision-making authority and responsibility over to Indians when those decisions affect them directly.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, I wish that the Hon. Member would talk to his colleagues who have been asking me questions about West Bank for the last year. Some of his colleagues have feelings that are very close to his feelings about how I should be interfering in the affairs of that particular Indian band. But let me tell the Hon. Member again that it is only with reluctance that we do interfere, and in this particular case it was not done with any great enthusiasm and was done only because we were legally required to do so in order to live up to the obligations we have to Parliament under the appropriate legislation.

I will check into the situation again in order to report back to the Hon. Member. If there is any way around this provision that will not infringe upon the freedom of action of the Indian people, I am quite prepared to undertake it, but I do not see a way around it at the moment.

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ROYAL CANADIAN MOUNTED POLICE

REPORTED SURVEILLANCE OF GROUPS OPPOSED TO CRUISE MISSILE TESTING

Mr. David Orlikow (Winnipeg North): Madam Speaker, my question is directed to the Solicitor General. Recently I received reliable information to the effect that the RCMP are involved in surveillance of groups and individuals organizing protests against the testing of the Cruise missile in Canada, that a well respected national peace and development organization is also the object of surveillance, and that the anti-Cruise demonstration planned for Cold Lake, Alberta, on June 26 is the object of a special task force of the Security Service. Is the Minister aware of these activities on the part of the RCMP? If so, can he explain the reasons for them and, if not, would he inquire into the matter?

• (1450)

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I should like the opportunity to inquire into the matter and I would appreciate having any additional information that the Hon. Member has.

INQUIRY RESPECTING SURVEILLANCE OF OTHER GROUPS

Mr. David Orlikow (Winnipeg North): Madam Speaker, if the Minister makes inquiries and finds that the facts are as I have indicated, will he inquire if the Security Service is going to put Members of Parliament under surveillance, or leaders of church communities who have expressed opposition to the testing of the Cruise missile?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I can certainly assure the Hon. Member that the peace movement is not and could not be a target of surveillance within the meaning of the mandate of the Security Service. However, any individuals who by virtue of their activities or goals and objectives, are targets within the meaning of the mandate of the Security Service, would be the object of surveillance whether they were infiltrating the peace movement or any other non-targeted activity or movement within the country.

PETRO-CANADA

ISSUANCE OF DISMISSAL NOTICES TO EMPLOYEES

Mr. Harvie Andre (Calgary Centre): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Within the last few days well over 1,000 employees of Petro-Canada were given termination notices. A PetroCan spokesman said that this was necessary because there is an overlapping of staff in the wake of acquisitions such as Petrofina and BP Canada. In essence, in the height of a recession, the Government taxes Canadians, the money is used to build Petro-Canada's empire, and thousands of Canadians are put out of work.

What sense of responsibility does the Minister have toward these 1,000 or 2,000 Canadians who have lost their jobs because of the Government's policy? Is he going to take some action on behalf of these employees?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I am very surprised by the question and that the Hon. Member would ask me not to promote within Petro-Canada the best techniques of management that are possible, and ask that we should keep on staff people who are not needed. I will note that for future consideration.

Mr. Andre: Madam Speaker, that is not what I suggested. If the Minister were promoting good business practices he would not have allowed the Petrofina and BP takeovers in the first place. Taxing Canadians to put other Canadians out of work is a dumb policy.

MINISTER'S POSITION

Mr. Harvie Andre (Calgary Centre): Madam Speaker, can the minister indicate whether he has learned from this, and will he make a commitment to the House that there will be no more of this folly?

[*Translation*]

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I can inform the Hon. Member that in the case of the purchase of BP by Petro-Canada, there was no payment of funds by the Government, since it was done on a strictly commercial basis. The President of Petro-Canada at first considered using the Canadian Ownership Tax to make this purchase, but the Government refused, and we then obliged Petro-Canada to acquire BP on a strictly commercial basis. Once the transaction was completed, there was the process of integrating BP employees and applying the appropriate management procedures, and unfortunately, as a result of wanting to have a more viable company, some employees may be forced to lose their jobs, and I am happy to see that the Progressive Conservatives want us to keep these people on the Petro-Canada payroll, even if they are redundant.

[*English*]

FINANCE

REQUEST THAT INTEREST ACT BE AMENDED TO ASSIST HOME OWNERS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, I should like to put a question to the Minister of Finance. A previous Minister of Finance in the Government indicated that banks and financial institutions should be required to bleed a little in the current recession. Since the banking and financial institutions have been making the highest profits and have not been bleeding too much, I wonder if the suggestion that was made earlier in the House, and which was supported by Members of all Parties, to change the Interest Act, or some other financial consideration, would be supported by the Government to assist the some 700,000 home owners who are suffering as a result of high mortgage rates?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the monetary policy and the budgetary policy followed by the Government have gone much further than the Hon. Member tends to indicate. About a year and a half ago the prime rate was something like 21 per cent; it is down to 9.5 per cent now. This has been achieved because we have been able to bring inflation down to 6 per cent or 6.5 per cent. We have also succeeded in reducing the spread between the United States' rates and Canadian rates to less than half of one percentage point; they were as high as 6 or 7 percentage points apart some 18 months ago. We have done a lot to try to help people who have mortgages, and people who have loans on which they pay interest.

Mr. Dick: Madam Speaker, of course the Minister knows what he just said is garbage. I am talking of apples, not of oranges. I am talking about the 700,000 Canadians who are locked into mortgages for three or five more years at 21 per cent interest—not those who will get a mortgage tomorrow or the next day.

PLIGHT OF HOME OWNERS WITH HIGH INTEREST RATE MORTGAGES

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, the United States and England both assist people greatly with their mortgages by making the interest deductible from taxable income. The United States has gone further by recently introducing a Bill to provide $750 million to help people so that their mortgages will not be foreclosed. Does the Minister have anything to propose that will help people in this country who are locked into high interest rates and who, because of their financial circumstances, are going to lose their homes?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member must have been absent from the House during the last two years. Otherwise, he would have known that during that time, the Government implemented a number of programs, especially when my colleague, the Minister of

State (Finance), was responsible for the Canada Mortgage and Housing Corporation. We adopted a program under which people who were in financial difficulty and were unable to meet their mortgage payments would be able to receive help from the Canada Mortgage and Housing Corporation. My hon. colleague would have been aware of this if he had bothered to keep informed of what was going on in the House and the measures taken by the Government.

I would also invite him to take a look at the representations made to financial institutions by Hon. Members who are concerned about the welfare of their constituents, and perhaps he could follow the example of Liberal Members on this side of the House who have been quick to make representations to the appropriate financial institutions. In many cases they were able to persuade them to change their attitudes to some of their debtors. This action was taken by Liberal Members of this House who approached the financial institutions concerned. I would therefore invite my hon. colleague to try and do the same. He may get results for his constituents, if he is willing to take the trouble.

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[*English*]

CORPORATE AFFAIRS

TRUST COMPANIES' COMMITMENTS—REQUEST FOR INVESTIGATION

Mr. Bill Kempling (Burlington): Madam Speaker, I have a question for the Minister of Consumer and Corporate Affairs in the same vein as the previous questions.

I have received a number of communications from constituents who took out three-year mortgages at high interest rates with trust companies, on the understanding that they could rewrite the mortgages upon payment of a three-months' interest penalty. These people now find that the trust companies will not live up to that commitment, which was not in writing; in every instance it was given verbally. Will the Minister investigate what appears to be a bait and switch practice on the part of some trust companies?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, this question has been brought to the attention of my departmental officials. It is a situation that should not be allowed to occur, and I can assure the Hon. Member that my officials are, at the present time, making representations to the companies concerned with a view to correcting this situation.

[*English*]

ADMINISTRATION OF JUSTICE

PROSECUTION OF FORMER RCMP OFFICER—POSSIBLE HOLDING OF TRIAL IN CAMERA

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, my question is for the Minister of Justice and Attorney General and relates to the prosecution under the Official Secrets Act of one James Morrison, also allegedly known under the code name "Long Knife". I wonder if the Attorney General could indicate if the Crown will be moving at the trial for the trial to be held in camera and if so, why, when the events complained of took place 25 years ago.

• (1500)

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, no questions of that kind have yet come before me for decision. When they do, I will certainly give them the proper consideration.

INSTRUCTIONS TO COUNSEL

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, in the belief that the motivation of the Government should be for an open trial, I wonder if the Minister would also give consideration to instructing Crown counsel also to oppose any defence motion for the trial to be in camera.

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I will take my hon. friend's representation under consideration also.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Petitions, with the exception of one, which were presented by Hon. Members on Monday, June 13, 1983, meet the requirements of the Standing Orders as to form. The Petition which did not meet the requirements is one from the Hon. Member for Kamloops-Shuswap (Mr. Riis).

* * *

BUSINESS OF THE HOUSE

REQUEST FOR FREE VOTE ON SUPPLY MOTION

Mr. Deans: Madam Speaker, I rise on a point of order with regard to House business. Earlier today the Government House Leader no doubt heard the exchange between the Prime Minister and the Leader of the New Democratic Party with respect to the vote which will take place later today, and the willingness expressed from this side not to have the vote considered to be a matter of confidence. The Prime Minister appeared to indicate in response that he also was prepared to

consider the possibility of the vote which will take place later today on the question of the testing of the Cruise missile not to be a matter of confidence.

I would like first of all to assure the Government House Leader that our Party is prepared to enter into any manner of House order dealing specifically with this question, which will guarantee the Government that this vote will not be a matter of confidence. I would like to ask the Government House Leader whether, over the course of the last half hour, he has been able to ascertain if the position of the Government is that a free vote could be taken today to facilitate the wishes of many of his own colleagues who have come to me and asked that such a thing occur. Many other Hon. Members of the House of Commons have said as well that a free vote such as this would be useful, particularly in a matter as crucial as this is to the safety of Canadians.

[*Translation*]

Mr. Pinard: Madam Speaker, I do not know whether the Hon. Member is serious about what he wants to negotiate or is just trying to make political points. If he is serious, he is not taking the right approach. The Hon. Member is aware that we are having a House Leaders meeting in a few minutes, as scheduled. I believe that is the proper venue for raising his question. The whole process of the Business of Supply is extremely complicated, and I would like to take the time to consider the implications. For instance, if today, we are prepared not to consider a vote of non-confidence as such, would the Opposition at some later date, if ever the Government were defeated on a motion of non-confidence, be prepared to agree that in exchange, that motion would not be considered a question of non-confidence, thus putting us on equal terms? That is one of many points that must be considered, and in any case, my learned friend knows perfectly well that nothing can be done in this respect without the unanimous consent of all Members of all parties of this House. I am prepared to discuss the matter with my hon. colleague, but I would have preferred the question to have been raised much sooner, because by doing so two or three hours before the vote it may be impossible to draft an appropriate order that would cover all aspects of supply proceedings. Nevertheless, I am prepared to give this matter very careful consideration, always provided that my learned colleague agrees that if ever the Government, during this session, were to lose a vote of non-confidence other than this afternoon's, it would not be considered as a vote of non-confidence.

[*English*]

Mr. Deans: Madam Speaker, I want to assure the Government House Leader that the reason I raise this matter in the House is specifically to have on record that we are indeed serious about it. This is not a frivolous matter. I want to assure him that we are prepared to consider very seriously a motion which he might like to put which would guarantee the Government that the vote taken today on the question of supply, which just happens to be the same vote which deals with the testing of the Cruise missile, would not be considered a question of confidence as far as those of us on this side of the House, at least speaking for this Party, are concerned.

Mr. Pinard: Madam Speaker, my colleague knows very well that with unanimous consent there are many things that can be done. For example, we could tie the Crow Bill to the vote tonight and send the Bill to committee at the same time. Perhaps we will consider that also.

Mr. Lewis: Madam Speaker, I would just like to indicate that as far as this Party is concerned we feel these negotiations should take place at the House Leaders' meeting which has already been set.

* * *

POINT OF ORDER

MR. MUNRO (ESQUIMALT-SAANICH)—DISTRIBUTION OF PROJECTED ORDER OF BUSINESS

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, I rise on a point of order which I believe is important. It is almost a question of privilege. The distribution of the Projected Order of Business for today, for example, reached my office at 10.15 this morning. I was looking for the text of the motion which we would be debating today. My office happens to be in the Confederation Building. I am sure that everything which is in these pages was available to be printed overnight and could have been available first thing in the morning. It may very well be that it was decided to hold the distribution of this document to be circulated with the other documents such as *Hansard*. However, I do believe the Projected Order of Business should receive every priority in order to reach the offices of Hon. Members at the earliest possible moment. I received this document 45 minutes before we assembled to discuss this motion. I realize that our messengers work hard, but I do believe, with all due respect, that a special effort might be taken to get the Projected Order of Business distributed to the offices which are not in the Centre Block but in some of the outlying buildings.

Madam Speaker: I take the Hon. Member's point. However, these documents are usually distributed with all the other parliamentary documents and, of course, since the House is sitting earlier, we cannot give the same lead time which we used to give when the House started only at two. The staff works terribly hard, as the Hon. Member has said. We are doing our best. I do not know why the Hon. Member did not receive his document earlier today, but I will inquire.

Petition

ROUTINE PROCEEDINGS

[*Translation*]

STANDING ORDERS AND PROCEDURE

PRESENTATION OF EIGHTH REPORT OF SPECIAL COMMITTEE

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, I have the honour of tabling the Eighth Report of the Special Committee on Standing Orders and Procedure.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

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INDIAN AFFAIRS

TABLING OF B.C. LAND SETTLEMENT ACT

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, under the provisions of Standing Order 46(2), I wish to table in both official languages copies of the proposed British Columbia Indian cutoff Land Settlement Act.

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[*Translation*]

CANADA PENSION PLAN

TABLING OF ADVISORY COUNCIL REPORT RESPECTING PARTICIPATION OF HOMEMAKERS

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, with your leave, and pursuant to the provisions of Standing Order 46(2), I wish to table, in both official languages, copies of a report published under the title: *More effective participation of homemakers in the Canada Pension Plan*, prepared by the Canada Pension Plan Advisory Council.

* * *

[*English*]

PETITION

MR. WADDELL—EARLY RETIREMENT IN CONSTRUCTION INDUSTRY

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I have the honour to present a petition from some 150 carpenters and people in the construction trade from Vancouver and Burnaby, British Columbia, many of whom are unemployed. They petition the House that whereas the Labour Adjustment Benefits Program recognized the right of workers belonging to some specific industries, clothes factories, shoe factories and so on, who have been laid off after the age of 54 and before the age of 65, to receive a pension equal to 60 per cent of their salaries, that therefore this benefit be extended to the construction industry. They also petition that the old age pension itself be available at age 60 rather than at age 65.

This is a petition, Madam Speaker, dealing with early retirement in the construction industry, which is a most important matter. I would like to table this petition.

* * *

[*Translation*]

HOUSE OF COMMONS ACT

MEASURE TO AMEND

Mr. Gerald Laniel (Beauharnois-Salaberry) moved for leave to introduce Bill C-687, an Act to amend the House of Commons Act (Internal Economy).

Some Hon. Members: Explain!

Mr. Laniel: Madam Speaker, the purpose of this Bill is to increase the autonomy of the House of Commons with respect to its internal administration. It defines the Executive of the Commissioners of Internal Economy which the present Act does not do, and provides for the appointment of two more Members as Commissioners, to be chosen from among the backbenchers, one from each side of the House, to increase the involvement of the House in its own administration.

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

* * *

• (1510)

[*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. 4,817, 4,839 and 4,897.

[*Text*]

FARM CREDIT CORPORATION ADVISORY COMMITTEE

Question No. 4,817—**Mr. Mazankowski:**

1. Is there a Farm Credit Corporation Advisory Committee and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount has each member received (d) what other funding, if any, is provided by the government?

2. (a) What are the terms of reference of the Committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Committee publish in the fiscal year 1982-83?

Hon. E. F. Whelan (Minister of Agriculture): Farm Credit Corporation advises:

1. Yes, under Section 9 of the Farm Credit Act. (a) Ernest Boudreau; Jean-Marie Bourrée; George Gardhouse; Don Knoerr; (Mrs.) Alma MacLennan; André Morin; Walter Olson; Ron Oswald; George Vercaigne; Robert Younge.

(b) (i) All members have experience in the farming sector and the majority are farmers. (ii) Three years, but may be renewed.

(c) Remuneration and expenses are fixed by the Governor in Council pursuant to Subsection 9(3) of the Farm Credit Act: E. Boudreau, from 1982 to 1983, $2,540; J.-M. Bourrée, from 1979 to 1983, $12,316; G. Gardhouse, from 1982 to 1983, $1,921; D. Knoerr, 1983, $1,428; A. MacLennan, 1983, $2,300; A. Morin, from 1982 to 1983, $2,553; W. Olson, from 1981 to 1983, $5,225; R. Oswald, from 1976 to 1983, $10,519; G. Vercaigne, from 1981 to 1982, $4,055; R. Younge, from 1976 to 1983, $6,776. The amounts shown include a per diem allowance of $200.

(d) None.

2. (a) The Advisory Committee advises the Farm Credit Corporation with respect to matters arising under the Act and as are referred to it by the Minister or the Corporation. (b) Interest rates; role of lending institutions in the agricultural industry; staffing of the Corporation; special farm financial assistance program; financial and counselling assistance to farmers. (c) Once a year. (d) No reports or recommendations of the Advisory Committee were published in 1982-83.

DREE—RESEARCH AND DEVELOPMENT PROJECTS

Question No. 4,839—**Mr. Howie:**

Does the Department of Regional Economic Expansion (DREE), in investigating applications for assistance, make allowances for facilities to undertake research and development projects and, if so, from January 1, 1980 to date, how many applications for assistance from the Atlantic region have included specifications for research and development facilities?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): The response for the Department of Regional Economic Expansion is: No. The Regional Development Incentives Act, under which the Department of Regional Economic Expansion receives applications for assistance, provides for development incentives in support of the establishment, modernization or expansion of manufacturing and certain other facilities. Applications to undertake research and development projects are considered to be ineligible for assistance.

URANIUM EXPORTS TO THE PHILIPPINES

Question No. 4,897—**Mr. Heap:**

1. In (a) 1980 (b) 1981 (c) 1982, what was the tonnage and dollar value of uranium sold to the Philippines?

2. What permit applications are issued for 1983 and beyond?

Hon. Gerald Regan (Minister of State (International Trade)): 1. (a) None, (b) none, (c) none.

2. None.

[*English*]

Mr. Smith: Madam Speaker, I would 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?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 62—NON-CONFIDENCE MOTION—NUCLEAR WEAPONS TESTING

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

That this House express its opposition to the escalation of the nuclear arms race by any nation and, in particular, its opposition to Canada's participation by testing in Canada any nuclear weapon or nuclear weapon delivery vehicle such as, and including, the Cruise missile.

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, in addressing the House just before one o'clock, I was taking particular issue with the Minister of National Defence (Mr. Lamontagne) and the Hon. Member for Victoria (Mr. McKinnon) for looking at nuclear war in a very conventional sense rather than realizing it is not only quantitatively but totally different from conventional war, such as World War I and World War II. It is because a nuclear exchange could result, indeed it is 99 per cent likely that it would result, in a nuclear holocaust that so many people in the world today are becoming concerned with the enormous nuclear arsenals. I would remind Hon. Members that it was the equivalent of 15,000 tons of tnt which exploded over and devastated Hiroshima. Today the world's nuclear arsenals are the equivalent of 16 billion tons of tnt, which could destroy the world many times over along with all life on it.

It also seems to me that the Minister is out of date when he talks about the doctrine of deterrence. I think most people saw that as the deterrence of war. Nowadays the military and civilian strategists are not talking about deterring nuclear war; they are talking about fighting and winning a nuclear war. This, too, has been so alarming to the public everywhere. It is bad enough to have a strategy of nuclear deterrence, but it is far, far worse to have a doctrine of fighting and prevailing in a nuclear war. The Minister has absolutely no concept of this radical change in thinking about nuclear arms. He stills talks about the doctrine of deterrence as it was talked about almost a generation ago, not recognizing that we have gone far beyond the real needs of deterrence.

It is significant that the Cruise missile is not simply a weapon of deterrence. It is designed for the purpose of intimidation and to fight a nuclear war. Whether we talk about the land, air or submarine-launched Cruise missile, the whole point is its pinpoint accuracy so that it can be used to take out missiles in their silos. In other words, it is designed for fighting a nuclear war, not deterring a nuclear war. Again, the Minister and others seem to have simply not recognized what has been taking place in the nuclear war strategy with the development of a new generation of nuclear weapons like the Cruise missile.

A third area where the Government and the Minister are so old fashioned and out of date is that of Canada playing a non-nuclear role in the alliance. There was a time when Canada was moving in that direction. Indeed, the Prime Minister (Mr. Trudeau) took credit for it in answer to a question on April 22, 1983 when he said:

—I have done a great deal in Canada to denuclearize our whole approach to defence. I did that in Canada and I did that in NATO by denuclearizing our planes in Germany.

What we are asking for in this motion today is a logical extension of those independent initiatives we took by saying not only will we not deploy nuclear weapons on our soil, not only will we not have our forces in Europe nuclearized, but we will also refrain from testing any nuclear weapon delivery systems. It seems to me that is part of the logic of denuclearization.

For some reason the Government has now decided not to continue a non-nuclear role. Our military and political commitment in Europe, indeed with the United States, does not need to be expressed in nuclear terms. I have heard many Members on the Government side and within the Conservative Party say that, so why, then, are so many of those same Members urging us to play once again a nuclear capable role, which is exactly what testing is all about? Have we simply lost all capacity for taking independent initiatives, for doing an independent assessment, or for a less uncritical acceptance of the nuclear armed strategy we hear about from Washington and elsewhere? Why do we simply and uncritically accept that if they want us to test the Cruise we will test the Cruise? It really has nothing to do with NATO, or NORAD commitments, or anything else. What it has to do with, I am sorry to say, is that we have become more and more integrated into the economic and military doctrines and values of Washington. We have therefore simply abandoned any independent judgment, any independent evaluation, any independent decision-making with regard to alliance nuclear weapons policies.

• (1520)

That is also what the Canadian public is so alarmed about. The public would like to see their Government taking a lead among the smaller nations of the world, among members of the alliance, like the lead taken by Norway, which is still a faithful member of the alliance, in saying no to any further escalation of the nuclear arms race. What the Canadian public wants is a freeze, bilateral, mutual, verifiable, followed by massive reductions; to use George Kennan's phrase, "massive reductions and final elimination". We are not discussing any old weapon. We are discussing nuclear weapons which could see the end of this planet, whether accidentally or deliberately, and it is more likely to be accidental.

This is what the public is crying for from its Government. It thought the Government might do this a few years ago, referring to the policies of the Prime Minister, both of Canadian initiatives in denuclearization and promoting the concept of a strategy of suffocation by all the powers. Now it does not see either of them being followed by the Government.

We could untie ourselves without hurt or harm to our economy or to our relationship with the United States. We could untie ourselves from this total dependence, this uncritical acceptance of everything that is done. We could join other smaller nations and medium-sized nations in the alliance and in relations with other nations and members of other alliances in developing nuclear weapons free zones. Once one develops a nuclear weapons free zone, whether it is a single country or a group of countries, one is saying; "We will not be subject to nuclear intimidation", and that is one of the most significant aspects of the development of nuclear weapons free zones. We would be free to pursue the goals that everyone in the world wants to reach, namely, the goal of peace, freedom and security.

I close by emphasizing again, as strongly as possible, that the escalation of nuclear arms holdings does not provide security, either national security or international security, let alone personal security. We must realize, not that we must drop the word "security" but that the way to attain security, mutual security, national and international, is ultimately by ending the nuclear arms race. Only when we have done that and, as Canadians, have participated in reaching that end will everyone feel secure once again.

Some Hon. Members: Hear, hear!

Mr. Kilgour: Mr. Speaker, I wonder if I could ask the Hon. Member whether she favours Canada withdrawing completely from NATO, from NORAD and from any other western world alliance and, if so, why?

Miss Jewett: Mr. Speaker, that is the kind of interjection that gives the Hon. Member a big kick but which really trivializes this very important debate. I have already said that Canada could play a non-nuclear role in the alliance, as does Norway. I am urging Canada, the Hon. Member and his Party to have us play a completely non-nuclear role in the alliance.

Mr. Taylor: What is that?

Miss Jewett: A non-nuclear role means that we would not be testing weapons, nor assisting in the manufacture of nuclear arms components, nor testing nuclear capable weapons. That is the subject of the debate. I look forward to hearing whether any Hon. Member of the Conservative Party or Liberal Party will say: "Yes, we will play only a non-nuclear role in the alliance. We think the nuclear arsenal has gone far beyond the

real needs of deterrence, and we will not put up with a nuclear war-fighting scenario, wherever it is".

Some Hon. Members: Hear, hear!

Mr. Kilgour: Mr. Speaker, I will ask as short a question as posssible, and I hope the Hon. Member will answer it. Does her Party favour getting out of NATO completely or not? It is a very simple question. Would she please just answer that question?

Miss Jewett: Mr. Speaker, the Hon. Member can read our platform, and I dearly wish he would address the issue which we are discussing today. He is dodging it because he does not want Canada to play a non-nuclear role. He is not facing the nuclear issue. He can read our policies any time he wants to see them.

Mr. Kilgour: What is it?

Miss Jewett: Why does he not focus on what we are debating today? Membership in NATO is irrelevant to what we are debating today.

[*Translation*]

Mr. Pelletier: Mr. Speaker, first, I would like to say to the Hon. Member for New Westminster-Coquitlam (Miss Jewett) that it is extremely important to have this debate today because not only the Members of the New Democratic Party, but also the Liberals and the Progressive Conservative Members consider this issue a crucial one. I recall that about seven years ago, I and a former Member of this House, Mr. Andy Brewin, as well as the Hon. Member for Edmonton South (Mr. Roche) made several speeches on this whole issue in various parts of the country. What I deplore in the speech made by the Hon. Member is this. I listened to her very carefully and she made many very interesting comments, but she referred repeatedly to a nuclear missile. I find this quite surprising because the Cruise is not a nuclear missile. Missiles are not nuclear or atomic. A missile is a delivery system and I believe that the debate is already complicated enough without making it more so when reference is made to the missiles themselves rather than the bombs they may carry. I hope that the other speakers will not make the same mistake because the subject is already complicated enough without adding that dimension to it.

[*English*]

Miss Jewett: Mr. Speaker, the subject is complex. Nevertheless, the air-launched Cruise missile that we are being asked to test can have either a nuclear or a conventional warhead.

Mr. Forrestall: That's not entirety so and you know it.

Miss Jewett: It can be either conventional or nuclear. Of course it can. Indeed, udner SALT II, as Hon. Members know, it is the American B-52 which flies the air-launched missile, right? Under SALT II, there is an agreement that if it has a nuclear warhead on it, that must be indicated in a visible way on the plane. So far, that is a part of SALT II which has been adhered to. Therefore it seems to me that the Hon. Member is confusing the Canadian public when he suggests that the missile will have only a conventional warhead. It could have either conventional or nuclear. We are particularly concerned because the 7,000 or so which are now being deployed or are about to be deployed, particularly on submarines but the air-launched as well, will have the nuclear warhead.

Mr. Friesen: Mr. Speaker, I listened carefully to what the Hon. Member for New Westminster-Coquitlam (Miss Jewett) said. I think I quote her accurately that she said it is possible for Canada to play a non-nuclear role in NATO. I have in my hand press clippings from the time of the 1980 federal election campaign when Canada's relations in NATO and NORAD played a very key role within the New Democratic Party. I would like to quote what the Hon. Member said at that time when there was a dispute between herself and her Leader with regard to Canada's role in NATO and NORAD. When seeking re-election in the British Columbia riding of New Westminster-Coquitlam, and referring to her Leader, she told reporters:

> He (Broadbent) is not speaking for me, the caucus or the Party. We do not support military action or saber-rattling. Our emphasis is and must continue to be disarmament because it is madness to have any other emphasis.

That was never in the context of nuclear war; it simply involved membership in NATO. Has the Hon. Member reversed her position?

Miss Jewett: The Hon. Member has missed the point which I was making then, would make today and would make on every possible occasion, that we are a Party of disarmament and our goal is all disarmament. On that occasion, however, there was also a very serious talk, and if the Hon. Member had been at the meeting he would know that it was primarily the nuclear arms race and the escalation of nuclear arms that we were discussing on that occasion.

• (1530)

[*Translation*]

Mr. Laniel: Mr. Speaker, could the Hon. Member for New Westminster-Coquitlam (Miss Jewett) tell me whether she at least recognizes that the request to deploy Cruise missiles in Europe was made by the members of the North Atlantic Treaty Organization and not necessarily by the United States alone, and that this was done to counterbalance the deployment of Soviet missiles?

[*English*]

Miss Jewett: Mr. Speaker, once again the original NATO decision made in December, 1979, was to deploy ground-launched Cruise missiles if negotiations, the second track, did not succeed. Indeed, Canada has no part, so far anyway, in helping either to deploy or to help in the testing of ground-launched Cruise missiles.

I asked an official from the Ministry of National Defence just the other day at a briefing for the Minaki conference beginning Thursday whether it was not true that regardless of the outcome of the Geneva negotiations and the deployment or otherwise of the ground-launched Cruise missiles in western Europe the United States would still want us to test the air-launched Cruise missile, because it is part of the U.S. strategic force. His answer was explicit. There were several people there. He said, yes, the U.S. would want us to test the air-launched Cruise missile regardless of what happens at Geneva.

Mr. Forrestall: Mr. Speaker, the air-launched Cruise missile is not, of course, a strategic weapon system. It is something entirely different.

Might I ask the distinguished Member if she could give the House the benefit of her references upon which she bases the assumption that the air-launched Cruise missile in fact has a nuclear capability?

Miss Jewett: It is not an assumption, Mr. Speaker. It is a fact.

Mr. Forrestall: Mr. Speaker, briefly, I ask the distinguished Member, now having said it is not an assumption but it is a fact, whether she would care to give us the basis on which she makes that factual statement?

Miss Jewett: Mr. Speaker, I was just reminded, I have not read it lately, but the umbrella agreement itself says that Cruise missiles must be unarmed. The Hon. Member must realize that the intercontinental strategic force, the Strategic Air Command, includes B-52 bombers, and it is on the B-52 that the Cruise missile rests.

Mr. McRae: Mr. Speaker, in one of the questions, the Hon. Member mentioned that there would be 7,000 or 8,000 Cruise missiles produced and deployed. Is she aware of the fact that the U.S. Government had ordered some 4,300 Cruise missiles and then cancelled the order, cut it back to one-third, and was going to build 7,000 or 8,000 Stealth version missiles which will be longer range, probably interhemispheric and will be able to avoid radar and so on. It will be a far more dangerous weapon and much smaller. This is the kind of thing we are actually testing. We are testing for a new type and a new generation of weaponry.

Miss Jewett: Yes, Mr. Speaker. Indeed, the Hon. Member may have forgotten that I asked the Secretary of State for External Affairs (Mr. MacEachen) one day about what I called the Stealth missile, which was a shorthand form for Cruise missiles with the Stealth technology, and whether we would ever test those. His first reply was, no, of course we never would. Then someone told him what was happening, that the Department of Defence in the United States had already started phasing out the Cruise missile we now have, as the Hon. Member said, to develop one with the Stealth technology. From everything I have read, the Hon. Member is absolutely right, the Stealth weapon presents even more difficult problems of verification and has even greater accuracy.

[*Translation*]

Hon. Charles Lapointe (Minister of State (External Relations)): Mr. Speaker, I am rather surprised at the speech we just heard by the Member for New Westminster-Coquitlam (Miss Jewett). At first, she spoke of thousands of tons of TNT that were to be found all over the world and mentioned how all this might blow up our planet. I know the thought is rather terrifying, but the Hon. Member forgot to finish her scenario. Would she rather have all those tons of TNT in the enemy camp and have us turn our backs on reality and say: TNT is terrible, we do not want any on our territory because it is dangerous. I am surprised at this extremely naïve approach, especially coming from a person of her experience, who in the past has accustomed us to a far greater measure of intellectual honesty.

The Hon. Member went on to say that Liberal and Progressive Conservative Members wanted to push Canada into a nuclear role. There again, Mr. Speaker, we have a mental reservation that I would almost qualify as dishonest. The Hon. Member knows perfectly well that Canada's official policy is that there shall be no nuclear arms on Canada soil. This policy has been stated and restated many times by the Right Hon. Prime Minister of Canada (Mr. Trudeau). Through a very nebulous choice of words, the Hon. Member would have her audience believe that Canada is about to establish nuclear weapons on its territory. The same misrepresentation can be found in the motion moved today in the House by the New Democratic Party.

Further on, the Hon. Member goes so far as to say that this debate has no connection with NATO or NORAD. It is only concerned with the fact that some people want to test, on Canadian soil, the guidance system of an empty unarmed shell called the cruise missile. This has no connection with NATO or NORAD, as the Hon. Member said. I did not think the Members of the New Democratic Party would be so narrow-minded as to focus their comments on such a limited debate, oblivious to everything else that is happening in the world and to the fact that within the territory of Warsaw Pact countries, 350 SS-20 missiles are aimed at our allies, at Western Europe. As far as the Hon. Member is concerned, all this does not exist! I suppose there is no Soviet Block or Warsaw Pact Block either. I suppose there is no such thing as zones of influence between the two super powers. The Hon. Member prefers to put her head in the sand and say: Here I am, all alone in my own little hole and that is how I like it.

Mr. Speaker, I must admit that during the ten years I have been sitting in the House, I have always suspected that the Members of the New Democratic Party were like white-washed sepulchers, and the speech made by the Hon. Member for New Westminster-Coquitlam has just confirmed that suspicion.

One question the Hon. Member could have answered in a way that would have restored her credibility somewhat—there again, she refused to do so, to avoid focussing attention on dissension within the New Democratic Party—is as follows. The Hon. Member refused to answer a, or rather two, basic questions put to her by the Member for Edmonton-Strathcona (Mr. Kilgour): Does she or does she not favour our being members of NATO? Does she or does she not favour our membership in NORAD? The Hon. Member carefully avoided saying what she thought about the subject because, as I said earlier, she is afraid to bring to light the dissension existing within the New Democratic Party.

Mr. Speaker, the debate in the House today reflects a new awareness involving not only the politicians in this House, religious leaders and academics, but all Canadians of all ages. This debate comes forth out of a profound desire for peace and could only take place thanks to the essentially democratic nature of our society. We are all very aware of the dangers inherent in the existence of nuclear weapons. Beset by uncertainty and fear, a number of governments and individuals are urging a stop to the development and deployment of new weapons.

• (1540)

I feel that no rational person could be in favour of reinforcing nuclear arsenals as such. However, in a world that remains essentially polarized, unilateral disarmament—whether it means putting a stop to the development of new weapons or dismantling existing ones—remains a basically wrong approach, because there is no incentive for the other party to do likewise. For instance, when, at the end of the sixties, the United States decided to discontinue unilaterally the manufacture of chemical weapons, we all hoped at the time that the Soviet Union would follow suit. The USSR, however, continued to develop and manufacture such weapons. There were no protests among the Warsaw Pact countries, and we all know that people in Warsaw Pact countries are seldom, if ever able to voice any criticism of their governments. Surprisingly, however, there were also very few protests from Westerm countries. Today, how could anyone who is at all realistic imagine that the USSR would act any differently if we were to stop the development of defensive nuclear weaponry? Unfortunately, no incentive is created by a unilateral approach. In the long run, it can only lead to domination or aggression. There is no easy way out of our present dilemma.

Realizing this, in 1979, NATO governments undertook to modernize NATO's nuclear force through the deployment of new missiles, in the event of failure of certain negotiations with the USSR, what is now referred to as the two-track decision that was accepted by NATO countries in December 1979 for negotiations with the USSR, in order to bring nuclear weapon systems down to their lowest possible level. It would have been much easier, in the short term, to ignore the gigantic arms effort of the Warsaw Pact member countries, both with respect to conventional and nuclear arms. The imbalance which already existed in 1979 when NATO made its two-track decision to react to the massive deployment of SS-20 Soviet missiles has increased, because since then the USSR has almost doubled the number of its missiles. More than 350 of those missiles, and we have no equivalent weapons in the West, represent a constant destructive threat to our allies.

I think that any politician who is the least bit responsible cannot ignore this fact, nor the complex lines of force that exist in our world today, nor the fact that nuclear disarmament cannot be seen apart from this context. The NATO Council, which called a meeting at the ministerial level last week in Paris, has restated NATO's primary objective which is to maintain peace while guaranteeing the right to freedom and justice on which our democracies are based. Mr. Speaker, how could anyone support such values without being prepared to defend them? That is the responsibility Canada would take on if it decided to authorize testing of weapon systems on its territory. Canada's policy of solidarity with its allies is not one of confrontation. On the contrary, it constitutes the only possible approach, as part of a gradual movement towards mutual and balanced disarmament. It is based on the concept of deterrence, which for almost forty years has prevented any major conflicts, to an extent unheard of before in the history of Europe where unprecedented military forces stand face to face. That is in fact, why mutual deterrence is so useful. Not only is there no question of resorting to nuclear arms, since the super powers have the ability to resist a preventive attack and to inflict, as a retaliatory measure, an intolerable level of destruction on the other side, but also any recourse to conventional weapons which during the last two World Wars alone were responsible for many millions of deaths and widespread destruction.

The development and deployment of defensive weapons to guarantee a proper balance between the two sides is an essential condition to maintain the state of deterrence when the strategy is to avoid war and an actual use of force. Only such an initiative taken in co-operation with other NATO member states can pave the way for negotiating the verifiable, balanced and mutual nuclear disarmament which we all strive for. Greater security is the purpose of any action aimed at controlling weapons and disarmament and establishing nuclear-free zones. Canada is a strong supporter of the concept of nuclear-free zones, provided they are approved by neighbouring countries and promote international and regional stability. Such approval is consistent with Canada's efforts to establish an effective non-proliferation system fashioned after the non-proliferation treaty. The suggestion that Canada be made a nuclear-free zone would be realistic only if we were prepared to withdraw from the Atlantic Alliance which has served us well and has helped us maintain peace for over 30 years. That is why the Government is still convinced that our association and co-operation with our allies, and the defence production

sharing agreement we have with them do a lot more to maintain peace and security than would our withdrawal from that alliance and our isolated situation as a nuclear-free zone.

In concluding, Mr. Speaker, I would like to refer my colleagues of the New Democratic Party, and particularly the Hon. Member for New Westminster-Coquitlam, to a book published recently and written by Jean-François Revel, *Comment les démocraties finissent*. Here is a paragraph on page 151 of that book by Jean-François Revel:

> Others before the Communists knew the art of calling "peace" a certain way of waging war. In the year 341 before our era, Demosthenes was trying to make the Athenians see the "peace offensives" of Philip of Macedonia for what they really were.

And Demosthenes said in the Third Philippic:

> 'Our enemy, wielding weapons and surrounded by impressive forces, talks about peace as he makes acts of war', he said to them. Indeed, Philip had his Afghans or his Czechs because, as Demosthenes tells us, 'did he not say to the unfortunate inhabitants of Oreos that, as a friendly gesture, he was sending them troops to protect them?' One has to be stupid, warned the orator, to 'consider as a state of peace a situation which will enable Philip, once he has taken everything else, to launch an attack against us . . . That is how he sees peace, undoubtedly, but certainly not us'.

Since Demosthenes was speaking to the Athenians in his Philippics, far from me to suggest that the members of the New Democratic Party have the basic qualities of the Athenians of the Antiquity, or even to think that I am a Demosthenes. However, given the naivety we have witnessed since the debate began this morning, and the mental restrictions which they made as they were playing with words to make us believe that Canada wants to have nuclear weapons, I wish the Members of the New Democratic Party would be more honest, more open-minded and less naïve when they speak about that important issue.

We all want peace, Mr. Speaker; the holier-than-thou members of the New Democratic Party are not the only ones who do. We are all seeking peace when we try to convince the members of the Warsaw Pact, the countries under Soviet control to sit down with the other superpower represented by the United States of America to agree on a balance and verifiable reduction of nuclear arms. It is not with high-sounding rhetoric such as we heard this morning from a party which is completely cut off from reality that we can restore to the world the peace that we all hope for. I am therefore happy, Mr. Speaker, that this debate is being held today so that the Members opposite may be seen in their true light, especially the small group to my right on the other side.

• (1550)

[*English*]

Mr. Yurko: Mr. Speaker, I want to pose a question to the Minister and to make some brief comments as I will not have an opportunity to speak on this matter. The real question today as I see it is: should Canada participate with the United States of America in the testing of (a guidance system that is called TERCON) an unarmed air-launched cruise missile? I recognize fully and appreciate the massive apprehension and revulsion in the use of this issue as a symbol against the fear of nuclear annihilation.

A nuclear war can come about because of three reasons. I want to address a question to the Minister in this area. The first reason is that it may come about by aggressive design or intent by one of the superpowers. This is highly unlikely because they will destroy the world and themselves. The second is by escalation of a minor conflict such as a triggering conflict in the Middle East. The potential for escalation is massive and scary in the world today. That is what bothers me more than anything else, the potential for escalation. The third way a nuclear war can occur is through accident. There is real potential in this area due to a failure of equipment, a failure of systems, or a failure on the part of humans who man the systems. If there is anything we should do with a system we are going to deploy, we would want to test it extensively until we knew it would never fail or, if it did fail, under what conditions it happened.

With regard to preserving peace and preventing war, particularly by accident, which I consider the most likely reason for a nuclear war in the future, and with the tremendous potential for escalation being awesome, is the Minister considering seriously in his discussions with the Americans whether this testing is absolutely vital to the nth degree so that if the U.S. deploys the Cruise in Europe, at least we know it will not fail or cause a war by accident?

[*Translation*]

Mr. Lapointe (Charlevoix): Mr. Speaker, I agree with the analysis of the Hon. Member about the possible causes of a nuclear war, namely the possible escalation of a regional conflict, the possibility of accidents. For that reason, the more we test or check the equipment, either the missile guidance system under discussion today or other systems, the easier it will be to prevent accidents and to guard against them.

Now, I am not the one in charge of negotiating with Washington our umbrella agreement with the United States, but rather my colleague the Minister of National Defence (Mr. Lamontagne). However, it seems obvious to me that the testing of the guidance system for the unarmed Cruise missile is part of the research needed to provide a practically ironclad guarantee that the deployment of these missiles will be accident-free.

Mr. Prud'homme: Mr. Speaker, I would like to direct my question to the Minister, because to us this is most important. I know that several Hon. Members of this House are wavering and are still wondering how they are going to vote. This is not my case. However, the Minister said in his speech that he was pressing—to use his own words—the Soviet block and especially the Soviet Union to start negotiating seriously. I share his view. But since the United States, this friendly nation to the south of us, have chosen to speak for the Western block of

which we are a part, can he give us the assurance that every effort is being made by the Government of Canada to also convince the United States to discuss seriously first, rather than letting us believe that we should deploy the missiles and start discussing seriously afterwards? It is my feeling that Canadians do not share that view. We are willing to honor our commitments, keeping in mind that we will deploy the missiles if negotiations fail. But for the negotiations to succeed, the United States must also be serious in these negotiations, to the same degree as their vis-à-vis. Will the Minister therefore assure this House that our ally, our friend and our neighbour, the United States, will be receiving from Canada instructions or recommendations pressing them to discuss very seriously before a final decision is taken to deploy?

Mr. Lapointe (Charlevoix): Mr. Speaker, I would like to thank the Hon. Member for Saint-Denis (Mr. Prud'homme) for his question, since we know the Hon. Member for Saint-Denis is the Chairman of our Standing Committee on External Affairs and National Defence and has an awareness, a very thorough knowledge of all those matters of foreign policy, and I would like to assure him that we are making identical representations to both the Americans and the Russians, in order to live up to the thrust of the decision made in December 1979 in co-operation with our NATO partners to arrive through negotiations on INF at a balanced and verifiable reduction of the number of such missiles. We exercise the same degree of pressure on both Washington and Moscow.

I would like to suggest to the Hon. Member that if he will read again the first Williamsburg declaration on armaments and the negotiations going on in Geneva, and also President Reagan's statement issued a few days after the Williamsburg Summit, in which he made new proposals to the Soviet Union, he will come to the conclusion that our American friends are very serious in their search for a balanced and verifiable reduction of INF missiles.

[*English*]

Mr. Anguish: Mr. Speaker, in the Minister's presentation this afternoon he said on more than one occasion that he was not very happy or impressed with the intervention of the NDP to this point because we were misleading the Canadian public and the Members of this House by the arguments we were making. If the Cruise missile is not a piece of weaponry to carry a nuclear warhead, or in some cases a conventional warhead, does it have any other purpose? I submit that the Minister discredits his own argument. If the NDP has a slant on it of scare tactics toward people, he discredits his argument by the fact that he insinuates that we stand for unilateral disarmament, which is not correct. He also put out a scare tactic of his own to the public of the bogeyman in the closet when he says that if we do not have nuclear weapons to protect us, somebody will attack and blow us to smithereens. That is not the case. We do not advocate unilateral disarmament. It has to be a platform where we work toward a verifiable arms reduction through multilateral negotiations even beyond the bilateral.

The other point the Hon. Member makes—

The Acting Speaker (Mr. Corbin): Order. If the Minister is to respond, he might be given the floor at this time because the period is ending.

[*Translation*]

Mr. Lapointe (Charlevoix): Mr. Speaker, since the Hon. Member did not ask his question it is very hard for me to answer. Referring to my comments, he suggested I was far from being impressed by the arguments presented by the New Democratic Party. I would like to tell him I have never been impressed by any of the NDP's arguments. And when I say that the New Democratic Party's arguments tend to give a partial and biased illustration of the facts, I will repeat the words used by the Hon. Member for New Westminster-Coquitlam (Miss Jewett), when she said that Liberal Members and Conservative Members would have Canada play a nuclear role, although the Hon. Member knew full well that the deployment of nuclear arms is not on Canadian soil. So let her cease and desist making statements that are almost accurate while ignoring what is essential.

This is what I wanted to say.

• (1600)

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I would like to participate in this debate because it is a somewhat historic debate. In the 17 or 18 years that I have been in this Chamber, today offers me the first opportunity that I have had to participate in a debate on this subject at this level.

Let me begin by making the statement that it is high time that Canada started letting honourable people, honourable nations, their spokesmen and their knowledgeable negotiators do the right thing. I read a story in the *Christian Science Monitor* some time ago when this debate, first started, particularly in Europe because it had reference to Europe, and I will paraphrase that article, with apologies to its author. But I have paraphrased that article on my own behalf, and in any event, never before has mankind had such an opportunity to understand the reasons why we must lay down instruments of massive, massive destruction. We have that opportunity now.

Let me address myself very briefly, Mr. Speaker, to what my colleague, the Hon. Member for Victoria (Mr. McKinnon), suggested much earlier, and that is, that this debate includes three or four parameters. We are probably at fault because we in this Chamber have not debated this subject. We in the country have not debated the broad questions of armament, arms procurement, burden sharing and all such questions. Not only have we not done that but we are remiss and responsible for not having debated the nuclear question to the degree that our allies from the North Atlantic Alliance have.

Let me deal with one narrow aspect of the question. I was concerned by the assumption of the last speaker for the New Democratic Party that the air-launched Cruise missile is in fact a dedicated nuclear weapons system. That is absolute nonsense. The air-launched Cruise missile is put together with rivets. It is a simple vehicle that has only one dedicated function.

I want to tell my hon. colleagues something that obviously very few of them are aware of. In the first three days of a conventional war in Europe, the task of the allies will be to interdict airports from which enemy aircraft are launched in a pre-emptive and conventional strike, to interdict important transportation corridors, to interdict radar and other electronic radio communications systems and to interdict a dozen other very important targets. Those targets are fixed. They are not mobile targets. We know precisely and exactly where they are. There is no need to use an atomic warhead to blow up an airport or a building that houses a communications centre. Perhaps it is time that the secrecy that surrounds these things was lifted a little bit and that we come to understand the potential of conventional explosives.

In the first three days of interdicting key elements in a pre-emptive advance against our allies, we will lose 75 per cent of all airplanes that are sent down the middle of a runway in order to render them inoperable to a potential enemy. We will lose 75 per cent of the aircraft we send because those very airports are heavily defended. As we know, those airplanes range from a single man fighter bomber all the way to a three man fighter bomber. They cost anywhere from $30 million to $75 million or $80 million each. They are operated by one, two or three living persons, human souls on board, and we will lose 75 per cent of these men and planes. Given the choice, Mr. Speaker, of sending a manned fighter bomber at a cost of $30 million, $40 million or $50 million each with one, two or three souls on board, or an unmanned Cruise missile that is air-launched and that, in terms of production if we can ever get rid of inflation in the country, would in fact cost $900,000 or $1 million, what choice would you make? The lack of knowledge that we as Canadians have with respect to what is in fact going on in the world scares and horrifies me.

This afternoon, Mr. Speaker, I essentially want to deal with host countries because I think it is important that we understand what our allies are trying to do. Later I will discuss the recipient or host country of the ground-launched Cruise missile which is a dedicated nuclear vehicle.

If I have a complaint against my friends in the New Democratic Party, it is the opportunism that they display by turning the air-launched Cruise missile testing in Canada into a nuclear debate. Let us have both. Let us debate all of this. Let us try to understand, but let us not confuse and let us not ever again convey to the Canadian people that when we talk about the technology of an air-launched Cruise missile system that is conventionally dedicated to a specific conventional role and would be finished within the first three or four days of a war, that we are talking about a massive, first strike, nuclear dedicated weapons system. I have invited Members of the New Democratic Party to tell me what their source of reference is that indicates to them that it is a massive first strike dedicated nuclear weapons system. It is no such thing and was never intended to be that. As a matter of fact, it is a drone that flew over the skies of Alberta 25 years ago that has been upgraded slightly. We are trying to test and to perfect the guidance system. It is a conventional vehicle.

Leaving that aside, the New Democratic Party has afforded us an opportunity to discuss nuclear weapons systems. Well, let there be no mistake. There is absolutely no relationship whatsoever except in appearance between a sea-launched Cruise missile, a ground-launched Cruise missile and an air-launched Cruise missile. I doubt very much that my friends even know what the central system is. From what I have heard today, I have some doubts as to whether Members of the New Democratic Party, aside from their Leader, know the difference between a strategic philosophy and a theatre philosophy. I honestly do not think that they know what is going on in Europe.

I have had the privilege, Mr. Speaker, of sitting on the Special Nuclear Weapons in Europe Committee for some three and a half years now and I think that perhaps I have a responsibility to address myself to what is going on in West Germany, in the United Kingdom, the Netherlands, Italy and Belgium. We all know what happened in West Germany. On the strength of continued support for the deployment of ground-launched Cruise missiles in Europe, dedicated weapons systems have the capacity to be converted back to conventional whereas the air-launched Cruise missile does not have the capacity to be converted to a nuclear system in under three or four years because of the entirely different technology. You can certainly drop a nuclear capable air-launched Cruise missile, there is no question about that, but what we are building is not dedicated to that. To those who express surprise and say we are testing a Stealth vehicle, I say, of course we are. What do they think the name of the game is? If they trust Moscow, they can go and live there. I do not.

• (1610)

Under the terms of the twin-track decision of December, 1979, it was envisioned that in the event of failure to achieve INF agreement, 108 Pershing II and 96 ground-launched Cruise missiles would be deployed in Germany. Public and Government attitude toward this deployment, scheduled to begin in December, 1983, has attracted considerable attention within Germany, from other members of the alliance and certainly from the Soviet Union. Much of this attention is focused on the March 6 Bundestag election which was viewed by the outside world largely as a missile referendum. The crucial votes determining the election were in fact actually economic and social. The current 10 per cent rate of unemployment, the question of higher pensions and schemes for economic recovery appear to have been more important than nuclear missiles in spite of the extensive publicity and media coverage given to the nuclear issue.

On the other hand, the issue of missiles prompted acrimonious debate between the parties in that election held just recently. The tenor of the exchanges was harsher than in any post-war election. Some analysts have concluded that the strong emotions and fears raised may very well leave lasting scars on the population.

The divergent attitudes of political parties in West Germany toward the INF deployment provoked an unprecedent degree of outside involvement in that general election. The Soviet Union was notable for opposing deployment and intimidating those who favoured it. They used the carrot and stick approach as they frequently do. Soviet Foreign Minister Andrei Gromyko visited the FRG in January and figured prominently in the partisan domestic campaign. Painting a picture of the U.S.S.R. as benevolent and committed to a reasonable arms agreement in the Geneva INF talks, he characterized the Reagan administration as "gamblers and con men", insensitive to European problems and uncommitted to a successful outcome at Geneva.

We all know President Reagan's conclusion. He said this:

> These actions reflect a bipartisan consensus on arms control, and new flexibility in the negotiations—steps to be viewed seriously by the Soviets and all others who have a stake in world peace. To the leaders of the Soviet Union, I urge that this new opportunity not be lost. To America's friends and allies around the world, I say that your steadfast support for the goals of both deterrence and arms control is essential in the future. To Congress and to the American people, I say let us continue to work together in a bipartisan spirit so that these days will be spoken of in the future as the time when America turned a corner. Let us put our differences behind us. Let us demonstrate measured flexibility in our approach, while remaining strong in our determination to reach our objectives of arms reductions, stability, and security. Let us be leaders in the cause of peace.

That is what we should be, Mr. Speaker. It is what Mr. Kohl in West Germany wants. It is what Prime Minister Thatcher wants, and she has just come through a very successful election. It is what the leaders in Holland want. Italy is going into an election, and that is what its leaders want. It is what the socialist movement in Italy wants; it is what members of the Communist Party in Italy want. They want a negotiated peace. It is what Canadians want. We differ on how we reach those goals, but at least let us support the leaders of the alliance who are our friends. Let us not go off on tangents and confuse an unsophisticated Canadian public on the nuclear debate. We must not do that either wittingly or unwittingly, and that is why I chose to take some time to speak about this. I am amazed that it was necessary to do so as I thought everyone understood the difference, the role and purpose of an air-launched Cruise missile compared to that of a ground-launched, Cruise missile or a sea-launched Cruise missile. Entirely different technologies are involved and each has a different purpose and a different role.

West Germany continues to support the principles of the December, 1979, decision. It was not easy for the leader. I tell this the way I understand it, Mr. Speaker. Mr. Kohl's victory did not necessarily come out of the debate, nor did the opposition to it. The growth of the Green Party in West Germany has been noted but it has lost most of its credibility.

In the United Kingdom, Prime Minister Thatcher did not waver at all. She has supported the 1979 agreement since its beginning. What nappened to the coalition in that country? We all saw the manifesto printed down one side of the page and another manifesto down the other. There were 21 points, 17 of them identical. If Hon. Members would do a little research, they would understand why honourable men and women of good will always defer to the right pursuit of peace. They do not necessarily reject other courses toward peace but they will always accept the right course.

How many Governments are there in Europe? We have 15 allies in NATO. Are we always right? Are we the only ones who know what is right? In Canada we have little choice but to support the knowledgeable decisions of the Government, and I hope this is a position that this Party would take. We have the same qualifications as the Government with respect to any escalation of the nuclear arms race. Those things are clear and are well set out. My colleague, the Hon. Member for Victoria, has done that, and others will follow.

Prime Minister Thatcher's Government repeatedly rejected the Soviet demand that the United Kingdom's independent nuclear forces be included in the Geneva INF negotiations. The Government has taken the position, shared by the NATO allies, that the Soviet posture is, in fact, an attempt to decouple the U.S. from Europe by excluding U.S. nuclear weapons systems from Europe. United Kingdom officials have argued that the British and French independent nuclear systems should not be included for several reasons; they are by definition and nature strategic and not theatre forces; they are minimal deterrent forces vis-à-vis the vast Soviet nuclear arsenal, and the INF negotiations are strictly bilateral. The March, 1982, U.K. white paper did indicate, however, that if circumstances were to change significantly, that is, if Soviet military capabilities and the threat they posed to the United Kingdom were to be reduced substantially, the U.K. would, of course, be prepared to review its position in relation to arms control. They have said these things. They are in place. They are part of the debate. It is incumbent upon us to be aware of it.

• (1620)

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member but the time allotted for his speech has expired.

Mr. Anguish: Mr. Speaker, the eloquence of the Hon. Member in describing his knowledge with respect to the Cruise missile, I believe has only portrayed his vast ignorance. I would like to quote to him from two sources. He has stated in questions today, and also in his speech just now, that the air-launched Cruise missile is not or cannot be equipped with a nuclear warhead. I would like to quote to him from a statement by William Epstein, who is the former director of Disarmament at the United Nations. He is referring to the air-launched Cruise missile to be tested in Canada. He said:

> Each missile can carry a nuclear warhead up to about 300 kilotonnes in yield, about 20 times the power of the Hiroshima bomb.

If that does not satisfy the Hon. Member, I can go to another source to back up our assertion that the air-launched

Cruise missile is designed to carry a nuclear warhead. If you look at the background papers, tabled with the umbrella agreement, which was tabled in this House, Section E, entitled, "The Cruise Missile—Deterrents and Arms Control", you will see in the last paragraph on Page 2:

> Cruise missiles can be armed with either conventional or nuclear warheads. Any missiles which may be tested in Canada would, of course, be unarmed.

That is the source of our information when we say that the air-launched Cruise missile is designed to carry a nuclear warhead. Would the Hon. Member tell us what is his source of information which says the air-launched Cruise missile is not designed to carry a nuclear warhead?

Mr. Forrestall: Mr. Speaker, my sources are the United States military authorities, the Pentagon, General Rogers, and a host of other people. I do not believe that I said that the air-launched Cruise missile was not capable of nuclear capability. I said that its role and purpose has a three or four-day duration, that it is designed to do a specific job. That job is conventional because there is no need to use a nuclear weapon to blow up a runway or a railway station. No military man whom I have met in three and a half or four years on the nuclear arms committee in Europe has ever suggested anything else. The Boeing people do not suggest that, nor does the Pentagon, where I have asked this question specifically—without getting into names. As a matter of fact, I asked General Rogers the question. General Rogers would deploy the air-launched Cruise missile specifically for the purpose I have indicated. He has said that publicly. He has said that it has no better role than to relieve the commanders of the responsibility of sending men, live people, souls, human beings, down the middle of a runway to destroy it only to know that when they issue that order three-quarters of the men will not come back. That is its role and its mission. Every nation in the world, unless we come to our senses, will deploy air-launched Cruise missiles in this particularly narrow way. There is absolutely no need to increase the cost of an air-launched Cruise missile to the level of the cost of a ground-launched missile or a sea-launched Cruise missile. There is no need to do that. You have the other weapon systems.

The Hon. Member is right in saying the system can carry anything. It can carry leaflets. It can carry mail, and God knows we need to speed up the mail around the country. However, it is not a dedicated nuclear system. I do not argue with the fact that it has the capacity to be converted to that, but it would take two to three years of new technology and new work to turn that vehicle into a nuclear-capable Cruise missile.

Mr. Sargeant: Mr. Speaker, I am not quite sure who the Hon. Member was trying to "snow" in his answer to my friend, the Hon. Member for The Battlefords-Meadowlake (Mr. Anguish). I would like to ask him about the arguments which the Prime Minister (Mr. Trudeau) has thrown at us over the last number of months when we have opposed the testing of this missile in Canada. The Minister of National Defence (Mr. Lamontagne) has also repeated this same point. We have said that this is not the missile which is going to be used in NATO. They have said, however, that it does not really matter which of the three missiles we test, that what they are testing is the guidance system. Therefore, they are using this as a test bed for a guidance system which can subsequently be used in the ground-launched or sea-launched, or whatever launched missiles which are designed to carry nuclear weapons. That is the point we are trying to make. It is not whether this specific missile happens sometimes to carry nuclear and sometimes to carry conventional. Would the Hon. Member comment on that, please?

Mr. Forrestall: Mr. Speaker, I have no intention of putting words in the mouth of the Prime Minister (Mr. Trudeau), or anyone else. He can do what he wants. The air-launched Cruise missile, just as the Tomahawk, as my friend knows very well because we viewed it together, I believe, has the capacity to carry a 1,000-pound conventional warhead. It can be converted. It is not my fault if the Prime Minister and the Minister of National Defence are not fully conversant with this subject. The secrecy which surrounds this debate, my dear friend, is nonsense. I believe Canadians should be aware of what is going on so that when we react out of natural human fear, we understand what we are reacting to, so that we are not reacting to something which we do not understand. It is my understanding that the system is designed to carry up to—and I should not say the numbers because I am not sure—a 1,000-pound conventional warhead missile, and that to convert it to a nuclear capacity would take at least two years. Even the guidance system is entirely different. The whole response is entirely different because its mission is entirely different from that of the air-launched Cruise missile. But it is immaterial. My concern, Mr. Speaker, is that we have taken advantage of the testing of a guidance system in Canada to expand that into a nuclear debate, and we have labelled the air-launched Cruise missile as a horrendous nuclear dedicated weapon system, which it is not.

Mr. McRae: Mr. Speaker, I have a great deal of difficulty with the statements of the Hon. Member. I do not in any way question his sources or what he is trying to put across. However, it seems to me that there is one very good reason why a conventional weapon would not be satisfactory, that is, that you need a much larger explosive force in order to be as accurate as you need to be, even though you can get 100 meters from your source. I have a list of all the Cruise weapons with built-in guidance systems, the TERCON guidance system. They are the ALCM AGM 86B, which is nuclear; the GLCM, the ground-launched BGM 109G, which is a tactical weapon, nuclear; and the SLCM BGM 109A, nuclear, and there are only a few of these coming along, and they will not come on until 1986. They actually will be conventional and are for that purpose.

I believe we are talking very seriously about a nuclear weapon which can get close enough to destroy a command post, but that cannot be done in any kind of hardened situation, and cannot be done if you are using a conventional

weapon. The Hon. Member is correct, it would be a 1,000-pound warhead, but a 1,000-pound warhead is not capable of doing what he says it is capable of doing. It is only a nuclear weapon with 17 times the power of the Hiroshima bomb.

• (1630)

Mr. Forrestall: Mr. Speaker, the last time I used a sledge hammer to crack a peanut I did not have anything left. You do not need a nuclear weapon to blow up a runway or render it less than useful to an enemy! You need only modern explosives.

Rather than get into a debate and take up the time of the House, Mr. Speaker, I suggest that my hon. friend use the influence of the Minister of National Defence (Mr. Lamontagne) and others in the Government to get himself into a United States explosives factory and get himself a first-class briefing on just exactly what we can do with modern explosives. Then he will understand that no man in his right mind would drop an atomic bomb on a radio station. What in hell for? What is this debate about? To kill innocent, harmless people? It is crazy, insane and nobody would do it. Not even Moscow would do it and they have the equivalent capability. If the Hon. Member is not aware of that, perhaps he had better do a little bit of reading.

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I would like to open my remarks by commenting on the role of the Department of National Defence. The role is a very specific one. It is the protection of this bountiful land of ours against aggression and the preservation of peace and freedom. It must do this in the real world where there are foreign powers who do not share our values of freedom and dignity for each human being. Peace has different meanings and perceptions in different lands. For example, the Soviet Union's definition, as expressed by Lenin many years ago, was that peace simply means communist world control.

In this world, nuclear weapons do exist. We cannot wish them away or demonstrate them away. They will not go away. They exist as weapons in the hands of sovereign states, friend or foe alike, such as the Soviet Union, the People's Republic of China, the United Kingdom, and most likely other countries as well. Indeed, these terrible weapons are in the hands of nations whose leadership is dedicated to the very antithesis of democracy and freedom. One such superpower is the Soviet Union.

A nuclear weapon is not just a qualitative advance over previous weapons. They have added a new dimension, not only to warfare but to our very human existence. There can be no winners in a nuclear war, but nuclear arms are a reality that we must face as a nation and address as a Defence Department.

In light of its size and geography, its vast and unpopulated frontiers, its three ocean coastlines and its wide expanse of ice and snow in the north, Canada relies heavily on its alliance with the North Atlantic Treaty Organization and operates under an allied defence system. There is no doubt but that Canada's security depends on co-operation with our neighbour to the south as well as with our other partners in NATO. The motion today deals with our participation in NATO concerning deterrence, which is interpreted as an escalation in nuclear arms.

In the first place, the House is asked to oppose escalation of the nuclear arms race by any nation. Inherent in this proposition are two implications: the first is that there is in progress a "nuclear arms race". The second is that the pace of this arms race is quickening in that its dimensions are getting larger; that it is indeed escalating.

Historically the concept of an arms race has been applied to a situation in which potential military rivals or adversaries have engaged in competitive programs of armament or rearmament, each with the objective of gaining superiority over the other. Is this in fact the process in which, with respect to their nuclear arsenals, the two superpowers and, more generally, NATO and the Warsaw Pact are now engaged? If so, Mr. Speaker, if we conclude that the two rival superpowers on the one hand and NATO and the Warsaw Pact on the other hand are indeed engaged in a race for superiority in nuclear weapons, do we not then have to examine how that race was started and what are its current dynamics before we can reach sensible conclusions as to how it can best be halted and as to the effects upon the arms race of particular weapon decisions taken by either? As the Minister said in his statement on Estimates to the Standing Committee on External Affairs and National Defence on March 15:

> For two decades the Soviet Union has had the potential to threaten Western Europe with intermediate-range ballistic missiles armed with nuclear weapons, without there ever having been a large number of similar systems available in the allied military structure of NATO Europe. NATO was able to tolerate this situation as long as the United States enjoyed a superiority in intercontinental ballistic missiles which kept not only the Soviet Union's counterparts, but also its land-based Intermediate-Range Nuclear Force (INF) missiles facing Europe in rough balance. Since the Soviet Union has become equally strong in intercontinental weapons, and since this rough strategic parity has been codified by the SALT agreements, there is now a greater need to correct the pronounced imbalance in intermediate-range weapons, either through a reduction by the Soviet Union or by the installation of some offsetting system by the West. In the area of intermediate-range weapons, the Soviet Union made a great and deliberate leap forward with the introduction of SS-20 missiles. The North Atlantic Alliance members were understandably concerned by this new threat to the territory of its European states.
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> When early efforts to dissuade the Soviet Union from deploying its SS-20s failed, Western governments took the 'two-track' decision in December 1979 to modernize NATO's intermediate-range weapons through the introduction of the Pershing II and Ground Launched Cruise Missile (GLCM) and to offer arms control negotiations to the Soviet Union, an unprecedented procedure in which negotiations were proposed on new weapons systems before their deployment and whose objective it is to bring about a limitation of these systems in both East and West at the lowest possible level, desirably zero. Canada is convinced, as are her European allies, that the threat posed by the presence of the Soviet Union's long-range land-based INF missiles cannot be ignored. Though we greatly prefer to deal with this threat through negotiations, we also recognize and support the requirement for NATO to negotiate from a position of strength."

The lesson of history is that peace is made more likely by a balance of power; so long as East and West maintain broadly equivalent forces, there is little danger of war. But the West can only sustain its part of this relationship if its own forces are kept up to date. There is also a need to guard against

attempts by the Soviet Union to achieve military superiority in any particular area, such as the INF. Moreover, such decisions are taken only after the most careful consideration. They are not autonomous or planned. Arms control aims to control this competition, to stabilize the balance and, if possible, to reduce the level of forces on both sides.

• (1640)

Among the Hon. Members opposite who put forward the resolution before us, there is a number who have philosophical leanings. I would suggest that even the best philosophers would benefit from minimal knowledge of history. It would not have taken much research to show that the West simply cannot be charged with escalating the nuclear arms race. One does not even require this degree of historical expertise to observe that the only conceivable cause for war between East and West would be a Soviet military attack.

Cruise missiles are not a new weapon, nor will they give a new twist to the arms race. The Soviet Union is deploying its new SS-20s now, and has been doing so since 1977. One new SS-20 missile has been deployed on an average each week, to a total of 350, each with three warheads.

From their silence over the past six years, one can only conclude that those who tabled the resolution today were not troubled by such developments. The NATO Cruise missiles, on the other hand, which are the object of the resolution, are not due to start arriving in Europe until the end of this year at the earliest, and only then if a satisfactory arms control agreement is not reached.

In taking its modernization decision, NATO agreed that before the first missile arrived, a major effort should be made to prevent an arms spiral. As evidence of this, the Americans have already withdrawn 1,000 nuclear warheads from Europe, and they will remove one more for every new warhead deployed.

It is worth recalling that at the start the Russians refused to even talk. It was only when faced with NATO's determination to proceed with the modernization decision that the Russians concluded that they could not get what they wanted on a one-sided basis and agreed to negotiate.

The resolution must be opposed. It is flawed in its essence. It has no redeeming features. It does not even call for a lessening of reliance on nuclear weapons through improvements to our conventional defences. Rather, it betrays a state of mind prepared to acquiesce in Soviet strategic superiority and to dismantle or disavow any weapons systems on our soil that the Soviet Union might regard as being provocative. The resolution bears eloquent if unwitting witness to the policital dividends that the development of nuclear superiority brings in its wake.

In conclusion, let me say that living with nuclear weapons is one of the inevitable results of mankind's unrelenting search for knowledge, just as are the many benefits that we enjoy in medicine, communications and agriculture. Nuclear weapons cannot be disinvented. We must learn to live with them. We need to create an environment where there is stability between nuclear equipped forces so that there be no incentive to attempt aggression.

Nuclear deterrence is a dreadful form of security, but it is effective, it has proven itself, and it does prevent the horrors of any type of war. However, to be effective, it must be such that there is no doubt but that initiating a nuclear engagement would entail absolutely unacceptable costs and punishment to the initiator. I will therefore vote against the resolution.

Mr. McKinnon: I would like to ask the Parliamentary Secretary a question concerning a Government policy which seems to me to be overly dedicated to secrecy. I do not know if he listened as I read a list of things that I thought we could have without endangering national security in this matter. I wonder if he could tell us if the Government will relax its attitude. It is not always in the interests of security to keep everything secret about everything. Would the Parliamentary Secretary have a look at the list in the Cruise Missile Project Arrangement to see if there is any reason we cannot have a much fuller briefing, a written briefing, that we could use as reference material in future debates of this nature?

Mr. Hudecki: Yes, I heard the worthy recommendations of the Hon. Member this morning. They do make sense. It seems to me, however, that it is a bilateral agreement. We would probably need agreement from NATO and from the United States officials as well. I have already taken the liberty of passing on the Hon. Member's thoughts and concerns not only to the Ministers but to the officials in the Department as well. I hope that we will receive a favourable answer in that respect.

Mr. McKinnon: I wonder if the Parliamentary Secretary would take note that in a Congressional committee in the United States, there would not be the slightest question. Agreement would be given before it was ratified. It would be the same with SALT II. It would not be held in secret by the administration in the United States until such time as the Senate or the Government there decided whether it would passs it. We are doing things backwards. We are making the decisions and then, afterwards, we receive a little dribble of information and a kind of staged debate as to whether we should or should not have gone along with the decision.

Mr. Hudecki: I was just wondering whether one of the obstacles is the need of previous knowledge of technology that is associated, whether this subject lends itself to scrutiny by a committee, or one which does not have the background in the technical knowledge of the various weapons and weapons systems.

Mr. Anguish: Mr. Speaker, I have two questions to ask. Instead of asking a supplementary question, I will pose both questions at the same time and ask the Parliamentary Secretary to response to them. If in fact the Canadian people accepted the build-up of nuclear arms, nuclear weaponry, as a deterrence, where does it stop? At what point do we stop building up nuclear arms, stop hiding our heads in the sand as an ostrich would, in terms of our Canadian Government, and proposed some kind of meaningful intervention by the Canadian Government, by the Canadian people, to reduce and

eventually stop nuclear arms on the face of the earth? I am sure that that must be the objective of all people in Canada.

The second question I pose is the following: Instead of Cabinet deciding sometime during the summer, in its own isolation, as the Prime Minister (Mr. Trudeau) has pointed out, why can there not be a decision as to whether or not we test the Cruise missile, a decision of this Parliament assembled in the House, in a vote which is not viewed as being a vote of non-confidence, so that Members of Parliament can freely express their views and that of their constituents on the question of testing the Cruise missile in Canada?

Mr. Hudecki: I do not feel that the whole issue of deterrence is entirely understood. It is a technique whereby the country or the force which is using deterrence must have two components. First, it must show that it has the equipment and the material with which to deter the enemy and, second, there must be a will, both a political will and a will of the people, to use it if it must. If these conditions are fulfilled, then deterrence will work and will not necessarily have to escalate, because with NATO, we have the second track. Using this second track approach, it is anticipated there will be a reduction, not an escalation. What will happen if none of these systems will work is a question that I am not that much of a visionary to be able to answer. But the very fact that for 38 years it has worked, and has some credibility, gives reason to hope for and to anticipate a favourable result.

• (1650)

Mr. Taylor: Mr. Speaker, I want to make a short comment and then ask a question. I found out years ago as a boy that the only way to stop a bully in the school yard was with a strong punch to the nose. Otherwise, you continued to be bullied and there was no stopping a person whose objective was to bully.

In the Hon. Member's speech he mentioned the two superpowers. He did not mention that the objectives of the United States, one of the superpowers, is peace. The U.S. protects people. The Americans have no ambitions to take over the world. The declared objective of the Soviet Union, of communism, is world domination. That is why the communists walk into nations that cannot defend themselves, such as Afghanistan, Poland, Hungary and the Ukraine. I do not want to live in a country in which the communists can march in. I want to be able to protect myself.

Why in Canada do we have a continual bombarding of a nation whose objective is peace, namely the U.S.A., while the build-up of weaponry in the Soviet Union whose objective is world domination is almost ignored?

Mr. Hudecki: Mr. Speaker, I think that is the crux of the whole issue. It may very well be that we in the role of the Department of National Defence and we in the role of Government from a political point of view have not really stated the issues clearly enough. We have not used our educational techniques in order to get down to the basic issues and to distribute information.

Mr. Sargeant: Mr. Speaker, I have a question for the Parliamentary Secretary to the Minister of National Defence (Mr. Hudecki). In his speech he talked about the need for stability between the two nuclear camps. How does the Cruise missile contribute to that stability when almost every serious thinker and writer on disarmament issues, and indeed people who practise disarmament negotiations for both sides—and another person who made this assertion was a former Secretary of the U.S. Navy—have all said that the Cruise missile in particular is a destabilizing weapon because of its non-verifiability? It does not add anything to the stability of the nuclear camps. There is no denying that it adds to the punch of the nuclear camps. Would the Parliamentary Secretary please explain how these things fit together?

Mr. Hudecki: Mr. Speaker, I think it has to a degree promoted stability in that along with the threat of using a Pershing II missile it has been able to bring the superpowers together at Geneva to the IWF and the Start meetings. It has been very difficult for those who have been promoting peace and who wanted NATO to meet with these organizations and have been unable to do so. When the threat of using these two weapons is made available, the two of them will meet and hopefully it will be the beginning of a de-escalation of the arms race, and that will add to the stability of the country.

Mr. Deputy Speaker: The period of questions and answers has expired. It may continue if there is unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, we are today debating an issue of the utmost gravity to mankind. In doing so, surely we can agree that no one individual in this House and no single Party has a monopoly on the desire for peace in this world. Surely that is a goal we all seek. Yet I find the wording of this NDP motion before us today demeans and belittles the seriousness of this critical debate.

In the confusion and controversy that presently surrounds the role that Canada may be called upon to play in the testing of the Cruise missile guidance system, we should begin by recognizing that a limited nuclear war in Europe would be disastrous. Not only would it devastate the towns and cities of that continent but it is inconceivable that it would remain limited in terms of the size of the weapons used or of the geographic area. There are no obvious fire breaks that would halt it. There are no sure ways of limiting the use of these weapons to the so-called "little ones". To use the word "limited" is to commit a double error. A limited nuclear war would in all probability destroy western Europe. A limited nuclear war would almost certainly become intercontinental and,

therefore, unlimited. For these reasons we here in Canada cannot suppose that this is a remote issue, remote from us. We are not armchair spectators watching in some disinterested fashion the tactics of the respective sides or pontificating from a limited base of knowledge. We have a role to play, and that role is to be found within NATO.

The policies that Canada advocates in the Council at NATO can do two things. They can take us closer to a nuclear war which would engulf this country among others, or the policies that we advocate within NATO can lead to a safer, more stable and perhaps ultimately non-nuclear environment in Europe. That would be vastly to our advantage. Nor should any of this surprise us, Sir. Twice alreadly in this century Canadians have felt obliged to enter a war which began as a European conflict. The great difference now is that the nuclear tinderbox in Europe includes us, whether or not we wish to be included.

Given the immense gravity of this issue then, there is a broad path that I think we should take. On the one hand we must make sure that the immediate balance of forces is preserved so that the mutual deterrent continues to work in Europe as it has worked for almost 40 years. On the other hand, we must lend our weight to reversing the nuclear militarization of Europe even if this involves greater commitments to conventional weapons.

The 1979 decision of NATO of which, as Secretary of State for External Affairs I was a part, was quite compatible with this approach that I have outlined. At that time, as I remember, there was widespread concern in European countries about the Soviet deployment of SS-20 missiles and Backfire bombers in the western Soviet Union. There was a great deal of concern. The SS-20 missile, in particular, was seen directly to threaten the European members of NATO. There were no long-range theatre nuclear weapons held by NATO forces which could counter or offset the SS-20 missiles.

The vulnerability of our NATO partners—and it was expressed by so many of them in very direct terms—led us, that is the countries, of NATO to what has become known as the two-track decision. That decision meant, first, countering the SS-20 missiles and the Backfire bombers by deploying long range theatre nuclear weapons within the European countries of NATO, namely deploying the Pershing II and the Cruise missile. That was the first track of that two-track decision. Second, that decision meant seeking arms control negotiations with the Soviet Union to eliminate all long range theatre nuclear weapons from Europe, both East and West. Deployment was not to take place for four years. The decision reached was that there would be no deployment by NATO of these weapons for a four-year period, namely until December 1983 at the earliest. In the intervening period, the intention was to concentrate on the second track, to concentrate consistently and urgently on the arms control negotiations which would be carried out in Geneva.

• (1700)

One of the major concerns at that 1979 NATO ministerial meeting was to find a policy which would maintain the unity of NATO members. It was not easy; it was a very difficult search. Small countries of NATO, in particular, were not anxious to participate in a policy which would lead to arms escalation. The search for a consensus was indeed a difficult one. The Government of which I was a part agreed with the analysis of the imbalance in theatre nuclear forces in Europe at that time and it accepted that this imbalance had the very serious effect of potentially decoupling the American nuclear deterrent from the deterrents of nuclear war in Europe.

Our European partners in NATO were very concerned about this possibility. It bespoke volumes about their vulnerability to the SS-20 and the Backfire bombers with no guarantee that they could ultimately rely on the back-up of the American deterrent. The Canadian position at that time sought to allow European members of NATO to find their own consensus about the most appropriate response to the Soviet deployment of SS-20s. Clearly any NATO deployment would be on their territory, not in Canada. The deployment would be on the territory of western European countries. It was up to them to decide whether and how they wished to deploy these weapons.

Our concern at that time was not to strike any postures or to engage in rhetoric which might prejudice the ability of western Europeans to achieve a consensus. We should be quite clear, though, that throughout those meetings which resulted in the decision in 1979 at Brussels the decision in no way constituted a commitment by Canada to test the Cruise missile, nor was any such discussion entered into at the time of the NATO agreement. It never came up for discussion.

If we have an obligation now, it is because our attempt to find a common policy with our allies clearly imposes responsibilities, including co-operation in the testing of weapons systems which we have collectively agreed to deploy in western Europe should the arms control negotiations not be successful. Therefore, and specifically in regard to the Cruise missile, it is quite clear that our first and most urgent obligation is to use all our influence in the pursuit of an arms control agreement with the Soviet Union in Geneva. Anything else, including the testing of the guidance system of the Cruise missile, is secondary to the central issue of arms control. We must not allow ourselves to be deflected from the goal of arms control and reduction. That is what the 1979 decision of NATO was all about.

We should realize that today we have only six months left of the original four years which were agreed to to make progress toward an arms control agreement before deployment of the Cruise missile takes place in western Europe, six months left out of that four-year period. If the decision to deploy is implemented, if that is what we arrive at at the end of this year because the arms control negotiations have not been successful, then I feel we are obliged to share in the alliance effort which obviously will involve testing the guidance system of the

Cruise missile in Canada. But that obligation, related as it is to arms control negotiations, in no way required the Canadian Government to sign a bilateral agreement with the United States to test all manner of American weapons systems on Canadian territory. Yet that is the situation the Government created on February 10, 1983, when it signed the umbrella agreement with the U.S. That is the situation into which we have been put.

Under this new agreement or umbrella arrangement we have no guarantee that the weapons which are to be tested in Canada in the future will be part of our alliance commitments. They could equally be used for counterinsurgency in any part of the world, and the decisions could be made in secret, with no guarantee that Parliament will ever have the opportunity to debate the merits of these arrangements. All of this is being done by a Government which promised to suffocate the arms race in the laboratories. It is being done by a Government which has scarcely made any contribution to the discussion of arms control in Europe. Since the decision was taken in 1979, three and a half years have gone by and the Government has not yet been seized of the urgency of this situation. Surely it should realize that now is the time for Canada to take the initiative in an effort to move the negotiations forward. We should not underestimate our potential for doing so, nor our opportunity, nor indeed our responsibility.

If we look at the situation with regard to our other NATO colleagues, we realize it is extraordinary difficult for the British and the French to show flexibility because their nuclear forces are at the very heart or the centre of the dispute. For political reasons it is equally difficult for the West German Government to take the lead in the promotion of new ideas. If one looks at the political positions of the more junior members of NATO, one by one it becomes clear that there are precious few governments able to take initiatives and to introduce arms control proposals into public discussion. By contrast, Canada is in a position to test new ideas and to put into private and public discussion suggestions which may command some considerable support within the alliance. That is something we can do. As an interested and involved party, we should now be concentrating our efforts on presenting proposals to NATO which reflect both our own concerns and the political realities confronting our European allies, those I have mentioned.

We should begin not by engaging in a debate about the number of missiles on each side but by identifying some guiding principles. The Palme Commission suggested the notion of mutual security as the touchstone for negotiations with the Soviets. We should not, therefore, ignore the security dilemmas feed by the Soviets and we must realize the reality with which they live, namely that British and French or sea-based nuclear warheads are just as devastating as land-based warheads. Mutual security requires a formula and an approach which will deal with the Cruise and the SS-20 and will place them in the broader context of all medium range nuclear weapons currently targeted on both parts of Europe, East and West.

• (1710)

Our task as Canadians is to consider some of these possible solutions. It is well within the capacities of our experts to evaluate them and to explore the common ground of Washington and our European partners. To be rebuffed in this exercise will be disheartening. If we were to undertake it and be rebuffed, it would indeed be disheartening, but not to attempt it at all would be an abandonment of our role and our interest in the alliance. It would be to forget that there is still a place for genuine mediation within the alliance. It would be to assume that we in Canada have entirely lost influence and credibility with our closest friends. It would be to accept passivity and helplessness as the mark of our international diplomacy.

There are times when I am critical of the Prime Minister (Mr. Trudeau) for some of his travels abroad, that they have not brought about the results that he or we might want to see. However, I would have no criticism, only commendation, if I could see the Prime Minister of this country engage in shuttle diplomacy from one country to the other in the western alliance to try to promote a much stronger effort by Canada for arms control negotiation in Geneva.

In this particular context, it is inappropriate to dwell upon specific numbers. Before we come to the precise arguments of the specialists, our task is to impose certain political principles on the negotiating process. Both in North America and in Europe there are hundreds of thousands of ordinary citizens who perhaps have seen more clearly than the scientists in defence laboratories and the strategists in the world of acronyms who know where present trends are leading us. We are faced with an apparently endless proliferation of nuclear weapons and destructive capabilities. Every new weapon has its own logic and its own reason, but the outcome is illogical, irrational and inhumane.

Therefore, and beginning with the INF negotiations Canada's approach to arms control should be guided by two broad principles. First, we must present realistic negotiating positions which emphasize minimal deployment of new weapon systems. We must begin to stem the tide of nuclear proliferation in Europe. Second, a negotiated outcome to the INF problem must encourage and actively promote further discussions on nuclear arms control.

In summary, the testing of the Cruise missile is not a decision which can or should be taken in isolation. Instead it must be placed, as I have argued, in the broader context of direction in arms control.

Finally, Canada must establish its own purposeful criteria for arms control and bend its efforts to achieving the only goal that in the long-term makes any sense, the progressive denuclearization of the world.

Mr. McRae: Mr. Speaker, I was pleased to hear the speech of the Hon. Member. I am sure she is aware that before 1963 there were 600 SS-4s and SS-5s deployed in the eastern European operation. The Americans withdrew their Jupiter and Thor missiles. Therefore, there were 600 single missile

warheads in place until the SS-20s were deployed. Then there were the SS-20, SS-4 and SS-5. Two weeks ago the Russians made an offer to get rid of the SS-4 and the SS-5 and to reduce the SS-20 to the number equivalent to that which the French and British have, that is, 594, almost 600. The Russians said they would reduce their SS-20 warheads to the number that were there before 1963.

The SS-20 is a much less dangerous weapon, with only one-seventh of the capability of the SS-4 and the SS-5. It is much more stable in the sense that it is mobile, cannot be destroyed and does not have to be used as a first strike. It is an arms controller's dream. Are we not in a much better position today with this offer than we were in 1963 when we removed these missiles? Is this not an approach we might accept in terms of the negotiations?

Miss MacDonald: Mr. Speaker, I will not ask the Member to repeat the question. He asks that I remember back to 1963. I remember 1963 very well. It was at that time that the Liberal Government wanted to install Bomarc missiles in Canada. The Party of which I am part stood very staunchly against that. We did not want nuclear weapons in Canada at that time or at any time since.

With regard to the hypothetical position the Hon. Member has put forward, as far as I am concerned the role that Canada can take in this is to look at the situation that now exists in Britain and in France. That is one of the major stumbling blocks in the negotiations in Geneva, the missiles that are deployed in those countries at the present time. I would sooner see us use every bit of influence and power that we have to try to bring these countries into some discussion on what would happen in the balance between East and West that could incorporate the missiles that are presently deployed by those countries. I may say that that was a proposal put forward just the other day by Lord Carrington, the former foreign minister of Britain. If we were to advocate something like that and see it come to a successful conclusion, we might break some of the deadlock that presently exists in Geneva.

Miss Jewett: Mr. Speaker, I found the Hon. Member's address very interesting. I would agree with a great deal of it. In fact, I hope everyone in the House would agree that enormous emphasis must be placed on Canada's participation, providing ideas, assistance and so on for arms control negotiations.

I wonder if the former Minister would have something to say about the testing of the Cruise in the context of the negotiations, both INF and START. Although the air-launched Cruise missile is not yet in the START negotiating structure, it certainly was in SALT II and I hope would come again.

Because it is the air launch that we are being asked to test, would she not see some merit for putting off any decision to test until we see more about the progress of the negotiations in Geneva which may take many months? I know she spoke of four years, but negotiations were not going on a lot of that time.

Even though the Hon. Member does not want Canada to play a non-nuclear role in the alliance, which would include not testing, does she not see some merit in putting this way off down the line while the very negotiations that she feels very strongly about are going on?

• (1720)

Miss MacDonald: Mr. Speaker, not only do I feel strongly about the arms control negotiations now, I felt strongly about them when that decision was made in 1979. If there is one great regret that I have, it is that we in Canada have treated the arms control negotiations as a secondary issue and have focused the attention of the country on the testing of a weapons system rather than the other way around. The important issue is surely how we can bring some control and reduction to nuclear weapons.

That we will come to a breakthrough in the negotiations within the next few months is not yet apparent, although there has been some minor movement, but if I were to see that we were anywhere near a major breakthrough that would then not necessitate the deployment of Cruise missiles or Pershing missiles in western Europe, I would certainly advocate that the negotiations continue for a limited period of time. No one would be so foolish as to turn down a possibility and a hope of that nature.

Mr. Allmand: Mr. Speaker, I have listened very closely to the hon. lady and I was pleased to hear—

Miss MacDonald: Member will do.

Mr. Allmand: Excuse me, I apologize to the Hon. Member. I was pleased to hear her say that there was nothing in the 1979 NATO agreement which obliged Canada to test any nuclear weapon. I would like to ask first if, according to her experience and her assessment, under the first track of the 1979 agreement which was to maintain the balance of power and deterrents, it is necessary to develop the Cruise missile system. Does she not agree that NATO now has enough nuclear power to obliterate the Soviet Union? In other words, is it necessary to move ahead with these weapons under that policy?

My second question is with respect to the second track of the agreement, which was to pursue arms control and disarmament. Does she believe that the NATO alliance, in the last couple of years, has been faithful to the 1979 commitment by pursuing that side of the policy with enough vigour and commitment?

Finally, after listening to the Hon. Member's speech, I must say that I am not too sure which side she is voting for. Is she voting for the motion or against the motion? I did not hear that.

Miss MacDonald: Mr. Speaker, I will begin by answering the last part of the Hon. Member's question. I will be voting against the motion. I want the Hon. Member to know that from the outset I have said that if the arms control negotiations are not successful, then I feel that Canada should, as part

of the collective decision which is arrived at, assume some role in implementing that decision. That is why we are in NATO. If we are then asked to test the guidance system of the Cruise missile, I feel that we should do so. That was not ever raised as part of the discussion in 1979. There were no assignments handed out. All we knew was which countries would deploy the missiles on their own territory.

I am sorry, there was a second question which the Hon. Member asked.

Mr. Allmand: Yes, Mr. Speaker, does the Hon. Member think that it is necessary, under the 1979 agreement, that we do in fact develop a missile such as the Cruise when we already have overwhelming fire power that could destroy the East?

Miss MacDonald: Mr. Speaker, I tried to express the very real feeling of vulnerability that was conveyed at that December, 1979, meeting that the population of these countries in western Europe have because they have nothing to counter the SS-20. These people have lived through two world wars. But they have seen thousands of citizens of their countries die. They do not want to be overwhelmed again. They want something in the way of a deterrent, and the only thing they have in the way of a deterrent to the SS-20 at the present time is the American inter-continental ballistic missile system. That is where their defence lies, and they articulated that they are not at all sure that they can count on it.

If there is a strike made against them by the Soviet Union, they are not at all sure that the United States will automatically put itself into that battle. That is why these people say, "We want to be sure that we have some defensive mechanism to protect ourselves." As long as the people of the countries of western Europe feel that way, then I feel that we as a member of NATO supporting them must agree to that kind of defensive system which, in this case, means the Cruise missile and the Pershing II.

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I would like to take this opportunity to comment on a subject that has received a great deal of attention lately, and that is the testing of the Cruise missile in Canada. As all Hon. Members know, on February 10, 1983, Canada and the United States signed a five-year umbrella weapons testing agreement which established general ground rules for the testing of some of the U.S. military equipment and defence systems in Canada. At a later date, negotiators from both countries will try to establish a precise framework for the testing of different weapons, including the air-launched version of the Cruise missile in Alberta. However, to date no specific arrangement has been made to test Cruise missiles in Canada.

At the heart of the recent controversy is the Cruise missile itself, a missile which is basically a small, pilotless vehicle capable of delivering a nuclear warhead with great accuracy over long distances. It is too slow to be counted as a first strike weapon, but its accuracy and difficulty of detection makes it a devastating weapon. The Cruise missile is really the now generation of the V-1 rocket the Germans developed near the end of the Second World War that wrought such havoc on old London. The Cruise missile is very similar to that rocket except that it has wings and a guidance system. The Americans are not the only ones to have a Cruise missile. The Soviets, the French and the British also have similar vehicles, but only the Americans have developed the missile to such a high degree.

The U.S. is currently working on half a dozen different types of the Cruise missile. Most versions are being developed by the United States Navy and can be launched from submarines, surface ships or, in the case of the European version, by land. The other major type of Cruise is designed to be launched by B-52 bombers. This is the only type of Cruise that is presently being considered for operational testing in Canada.

The Cruise missiles have interchangeable roles. Almost every type of Cruise can be converted from nuclear to conventional warheads in relatively short order. They can also be outfitted to perform electronic warfare or surveillance roles. By making trade-offs with weapon payload, speed and fuel volume, the range of a Cruise can be extended from 370 miles to 1,500 miles without changing the missile's basic design.

Since Canada has foresworn the use of nuclear weapons on its own soil, it is already understood that none of the U.S. tests will involve nuclear warheads, nor will Canada be expected to deploy any of the missiles. The United States is expected to bear all testing costs. Also, there is a provision in the umbrella agreement which gives both countries the right to cancel or suspend any specific test. This gives us a great deal of control over the actual testing of weapons in Canada.

I think it is very important for Canadians to realize that we fully support NATO and the alliance. We believe that a credible deterrent is needed to maintain peace with liberty. That is why we supported NATO in 1979 when it adopted the "talk and deploy" or the two-track strategy. This strategy allows the western world to actively engage in negotiations that could contribute to meaningful and verifiable arms control and disarmament agreements, while at the same time to work with our allies to modernize our theatre and conventional defence forces in Europe so that they will in fact form a deterrent to the frightening build-up of Soviet armaments.

The military strategy of NATO, the strategy of flexible response, serves to preserve military security. Its aim is to prevent war through deterrence. Deterrence is effective when the allies are able to make credible their capability and willingness to defened themselves against any conceivable attack and can make the risk of attack unacceptable for a potential aggressor.

NATO is only capable of deterrence and defence through the close political and strategic co-ordination between North America and western Europe. Intercontinental strategic nuclear weapons, nuclear forces in Europe and conventional forces are required as deterrents for the entire spectrum of possible armed conflicts. NATO holds nuclear weapons at the ready not because it wants to wage a nuclear war, but rather because it wants to prevent war. The destructive power of

nuclear weapons is intended to deter the use of war as an instrument of policy.

• (1730)

Military security presupposes an approximate balance of military forces between East and West. Arms build-up alone, however, is not enough to provide certainty that a balance will remain stable and reliable in the long term. In order to attain lasting security, an attempt must be made to contribute to the creation of a stable military equilibrium at the lowest possible level by means of balanced limitations of military potentials.

Any efforts at obtaining quantitative and qualitative limitation and reduction of armaments must take into account the military efforts of the other side, especially existing imbalances in the ratio of military force, and must guarantee security in terms of defence capability at every stage of the process. Defence planning and arms control must be closely co-ordinated to preserve the capabilities necessary for the realization of this strategy. The defence and deterrent capability must be secured through the necessary military measures.

Deterrence is not an attractive way of ensuring peace, but at least it has worked. The maintenance of a credible deterrent has helped to make western Europe strong and to keep the peace for over 30 years, despite circumstances that were often difficult. That deterrent posture of the West still keeps the peace in Europe. To abandon our security system now in favour of alternatives that have not even been described coherently let alone thought through would be immensely dangerous. Deterrence also provides the necessary stability to enable us to negotiate international agreements on disarmament measures which will really give us a safer world if they are verifiable and apply equally to both sides. The possession of nuclear weapons is an essential fact of deterrence: in a world where such weapons exist the NATO alliance must be able to deter their use by an enemy or to resist blackmail based on the threat of nuclear attack.

At the same time, so long as there is no denying that it may fail, and it would be irresponsible not to have plans for trying to limit the damage once nuclear weapons are used. If the West is to remain dependent on the nuclear power of the United States, there is an obligation on us all to be constructive in our criticisms of United States policies, or at the very least to understand what they are trying to do. There is another obligation on which consensus appears to be developing on both sides of the Atlantic, that is, the need to improve conventional forces and so diminish reliance on nuclear weapons.

Canada participates in the nuclear strategies of NATO. However, our direct military contributions to alliance deterrence and defence lie in the defence by conventional means of land, air and maritime areas. This is not a question of morality. It is a question of how we can best contribute to our own security, given our limited resources and force size. But we cannot rationally condemn the possession of nuclear weapons by others in an alliance of which we are a member and in which nuclear weapons provide the basis of deterrence and while we are sheltered by the deterrent nuclear umbrella of the United States or while we accept the contribution to deterrence and the prevention of war made by the nuclear forces of our British and French allies. To do so would be to adopt a position of no integrity whatever.

Canada's support for the maintenance of forces sufficient to deter aggression and defend the NATO area is entirely consistent with our commitment to a vigorous arms control policy. Indeed, the two policies are more than consistent, they complement and support each other, forming a coherent whole. They serve the same goal of enhancing security and preserving peace. Security is the key. Only on a basis of undiminished security can nations be expected to accept limitations on the numbers and quality of their weapons, and only on such a basis can they be brought to consider mutual and balanced reductions of their armed forces.

We are determined to do what we can to do what we can to achieve, by negotiation, a better international security environment. We are deeply involved in this effort. Canada not only encourages nuclear arms control between the two super powers, we also continue to seek mutual and balanced reductions in the conventional forces of NATO and the Warsaw Pact countries confronting each other in central Europe. These are negotiations that impact directly on the Canadian forces.

In addition to our participation in alliance consultations on strategic arms and intermediate-range nuclear force negotiations, our direct participation in the mutual and balanced force reduction talks and the conference on security and co-operation in Europe review process, Canada also plays a full role in the work of the United Nations and the Committee on Disarmament. Like other members of the United Nations, Canada is committed to the search for realistic and verifiable multilateral measures of arms control and disarmament which will halt the arms build-up. Canada's priorities in the United Nations are the achievement of a comprehensive multilateral nuclear test ban treaty, a chemical weapons convention, intended to complement the existing 1925 Geneva protocol and the 1972 bacteriological weapons convention, which would prohibit the development, production and stockpiling of all CW and provide for the destruction of existing stocks, and a treaty to prohibit the development, testing and deployment of all weapons for use in outer space. In all these areas Canada has made major contributions to the work being undertaken by the 40-nation Committee on Disarmament in Geneva.

The call by the Prime Minister (Mr. Trudeau) at the First United Nations Special Session on Disarmament, in 1978, UNSSOD I, for a four-part strategy of suffocation and the unfolding of that strategy at UNSSOD II in 1982 into a policy of stabilization which took account of on-going negotiations, illustrates the contributions to the arms control and disarmament dialogue made by Canada in the past. We will continue our efforts in the future.

Several factors have contributed to the growth of anti-nuclear sentiment in Canada, many of which are common to other alliance countries. In part, it is a natural reflection of the

sharpening of East-West tensions following the Soviet invasion of Afghanistan and the uncertainties of the Polish situation. This has led in some quarters to a fear that war, particularly nuclear war, has become a real possibility. This has not been helped by various comments which were interpreted by some as implying that the U.S. was planning to fight a limited nuclear war in Europe. These fears have been heightened by recent nuclear defence decisions. NATO's INF modernization, in particular, continues to generate public controversy and opposition, which could grow in Europe especially as the time for the first deployment nears. The Government's decision to permit the testing in Canada of certain U.S. defence systems, particularly the Cruise missile, has added to public concern about nuclear weapons, and the debate in the U.S. over the MX strategic missile has also focused attention on the subject. The extensive media coverage given to these decisions has served to convince many that the nuclear arms race continues to escalate.

The conjunction of western decisions in the nuclear field and increased international tension has provided a natural impetus to the activities of the anti-nuclear lobby. A considerable amount of literature has appeared, much of it critical of nuclear weapons. Many of the arguments used by the anti-nuclear lobby are traceable to the Soviet propaganda campaign launched in 1979 to try to pre-empt the INF modernization decision.

The main themes of the anti-nuclear movement in part reflect the differing membership of the various organizations and in part the wider public concern about nuclear war. But the themes are relatively few, recur constantly in anti-nuclear literature and letters from the public and are concentrated on nuclear weapons issue specifically.

I personally support NATO's two-track policy and feel it is the safest route to follow at this time. To disarm unilaterally offers no protection against the bully who has expansionist tendencies and, in reality, would create a dangerous shift in the world balance of power. Indeed, it could rapidly lead to deterioration in relations between the super powers and a corresponding outbreak of another military confrontation.

• (1740)

For those of us who remember World War II, this position is all too clear. We can recall the disastrous appeasement policy of the allies in the pre-war days. The tragic results of this policy taught the free world that it does not pay to bow down before expansionist totalitarian powers. If we refuse to allow the testing of the Cruise in Canada by the U.S. then it will display to the Soviets that the western world is not united and will further erode the hopes for real, genuine negotiations on disarmament.

I am not suggesting that I am against disarmament; indeed I know of nobody in our country who would not favour disarmament. It is the ultimate goal that all mankind should strive to achieve. However, I do not feel this can be done by offering unilateral concessions. This tends to create imbalances, and at the very least leads to demands for more unilateral concessions. It is the path toward ultimate catastrophe. Surely we do not want to return to that pre-World War II policy of appeasement.

In light of this I feel that we should proceed with the negotiations with the U.S. on testing the Cruise missiles. If an agreement is reached, Canada will be able to play a part in ensuring the strength and effectiveness of the NATO forces in maintenance of peace and security. However, if an arms control agreement is somehow reached between the Soviet Union and the West in the meantime, then the Cruise testing will be less urgent. If history teaches us anything, we would do well to remember that compromise and weakness did not prevent World War II. It nearly cost the western world its freedoms. Canadians as a whole support the strengthening of the NATO alliance believing that the best deterrence to war is to be prepared. The NATO countries dare not allow their military capabilities to become outdated. We watch with much anxiety the happenings in eastern Europe in recent years and in Afghanistan.

I am confident that we will give serious consideration to any genuine Soviet proposals which would enhance the chance for effective and verifiable disarmament agreements. However, it is obvious that real progress can only be made on the basis of the principle of mutual security. I would like to remind all Canadians that the crux of the issue at hand is our own security, without which we are unlikely to continue to enjoy peace, independence, and hope. On this point we would all be well advised not to lose sight of these very important facts.

Mr. Sargeant: Mr. Speaker, I would like to direct a question to the Parliamentary Secretary. I was a little sorry when he made the comment charging that a lot of the information, a lot of the statements made by anti-nuclear groups, come out of communist propaganda. I would like to quote from a magazine article which reminds me of the fact that the more things change, the more they remain the same. This is an article from the magazine *Cité Libre*, about 20 years ago, at another time when we had a fairly large nuclear debate in Canada. I quote:

> I fully realize that it is fashionable among "evolved" Liberals to joke about the emotionalism, the intellectualism, the naivety, of those who are against nuclear arms.
>
> Mr. Pearson has even accused them of helping communism—.
>
> This greatly resembles the tactics of the late Mr. Duplessis and those of Senator McCarthy.
>
> Mr. Pearson went so far as to apply the word "slackers"—

Those are similar words to the ones the Parliamentary Secretary used in his speech. Would the Parliamentary Secretary comment on that? I should tell him that that article was in *Cité Libre* in April, 1963, written by the Prime Minister (Mr. Trudeau).

Mr. Bloomfield: I believe we would do well to remember that history repeats itself, and of course these arguments will come forward at different times and at different stages of development as a country. I do not feel that the Russian aims to circumvent or subverse our way of life have changed in 20 years. Therefore, I feel that in 20 years' time, perhaps, we will have the same or similar argument.

Mr. Deans: Mr. Speaker, I have just one question. The Parliamentary Secretary made reference toward the end of his speech to his opposition to unilateral disarmament. Does the Parliamentary Secretary think for one moment there is anyone in the House who is proposing unilateral disarmament? Would he not agree that what is being proposed is that we ought not to escalate further and that we should negotiate some reasonable reduction?

Mr. Deputy Speaker: It being 5.45 o'clock, it is my duty pursuant to Standing Order 62(10) to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply. The question is on the motion of the Hon. Member for Oshawa (Mr. Broadbent). All those in favour of the motion, please say yea.

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Call in the Members.

And the division bells having been rung:

Madam Speaker: The question is the following—

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

[*Translation*]

Madam Speaker, on a point of order.

Madam Speaker: The Hon. President of the Privy Council (Mr. Pinard), on a point of order.

Mr. Pinard: My apologies for interrupting you, Madam Speaker, but I had asked for a message to be sent to the Chair to the effect that I have had consultations with my Opposition colleagues with a view to avoiding a substantial number of recorded votes and saving precious time for all Hon. Members. We have reached the following agreement, which I would like to read to you.

[*English*]

The motion is rather short, but explicit; that following the disposal of the proceedings of the motion by the Hon. Member for Oshawa (Mr. Broadbent), the House shall consider the business of Supply as follows: first, opposed item in the Main Estimates, No. 8, provided that the same division shall apply to and be recorded on opposed item in the Main Estimates, No. 15, and opposed item in the Supplementary Estimates (A), No. 2; second, opposed item in the Main Estimates, No. 3, provided any division shall apply to and be recorded on opposed items in the Main Estimates, Nos. 4, 5, 10, 11, 12 and 21, and opposed items in the Supplementary Estimates (A), No. 1, and the motion for concurrence in the remaining Supplementary Estimates (A); third, opposed item in the Main Estimates, No. 1, provided any division shall apply and be recorded to opposed items in the Main Estimates, Nos. 2, 6, 7, 14, 16, 17, 18 and 19, and the motion for concurrence in the Main Estimates; fourth, opposed items in the Main Estimates, Nos. 9, 13 and 20, each of which is to be considered separately, the understanding and the reality being that the Government votes "yea" on all the divisions on the opposed items.

● (1810)

Madam Speaker: Does the House agree to this arrangement of the divisions?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Broadbent) which was negatived on the following division:

(*Division No. 333*)

YEAS

Messrs.

Allmand	Hovdebo	Murphy
Althouse	Jewett (Miss)	Murta
Anguish	Keeper	Nystrom
Benjamin	Knowles	Ogle
Blackburn	Lewycky	Orlikow
Blaikie	Manly	Parker
Broadbent	McDonald (Ms.) (Broadview-Greenwood)	Riis
Deans	McLean	Roche
de Jong	Miller	Sargeant
Fraser	Mitchell (Mrs.)	Skelly
Fulton		Waddell
Heap		Young—34.

NAYS

Messrs.

Andre	Comtois	Duquet
Appolloni (Mrs.)	Cook	Ellis
Bachand	Cooper	Elzinga
Beatty	Corbett	Epp
Beauchamp-Niquet (Mrs.)	Corbin	Erola (Mrs.)
Bégin (Miss)	Corriveau	Ethier
Berger	Cosgrove	Evans
Blais	Cossitt (Mrs.)	Fennell
Blaker	Côté (Mrs.)	Ferguson
Blenkarn	Cousineau	Fisher
Bloomfield	Crombie	Fleming
Bockstael	Crouse	Flis
Bosley	Cullen	Forrestall
Bossy	Cyr	Foster
Bradley	Dantzer	Fox
Breau	Darling	Francis
Bujold	Daudlin	Fretz
Burghardt	Dawson	Friesen
Bussières	De Bané	Gamble
Caccia	de Corneille	Garant
Campbell (Miss) (South West Nova)	Demers	Gauthier
Campbell (Cardigan)	Deniger	Gilchrist
Cardiff	Desmarais	Gimaïel
Chénier	Dick	Gingras
Chrétien	Dingwall	Gourd
Clark (Yellowhead)	Dion	(Argenteuil-Papineau)
Clark (Brandon-Souris)	Dionne (Chicoutimi)	Gourde (Lévis)
Clarke (Vancouver Quadra)	Dionne (Northumberland-Miramichi)	Gray
Collenette	Domm	Greenaway
	Dubois	Guilbault
	Dupont	Gurbin
	Dupras	Gustafson
		Halliday

Messrs.

Hamilton (Qu'Appelle-Moose Mountain)	Lefebvre	Pepin
Hargrave	Lewis	Pinard
Harquail	Loiselle	Portelance
Hawkes	Lumley	Prud'homme
Hees	MacBain	Reid (St. Catharines)
Herbert	MacDonald (Miss) (Kingston and the Islands)	Reid (Kenora-Rainy River)
Hervieux-Payette (Mrs.)	MacGuigan	Roberts
Hnatyshyn	MacLaren	Robinson (Etobicoke-Lakeshore)
Hopkins	MacLellan	Rompkey
Howie	Malépart	Rooney
Hudecki	Malone	Rossi
Huntington	Maltais	Roy
Isabelle	Marceau	Savard
Jarvis	Massé	Schellenberger
Jelinek	Masters	Schroder
Johnston	Mayer	Scott (Hamilton-Wentworth)
Joyal	Mazankowski	Shields
Kaplan	McCain	Siddon
Kelly	McCauley	Simmons
Kempling	McCuish	Smith
Kilgour	McDermid	Speyer
Killens (Mrs.)	McKenzie	Stevens
King	McKinnon	Stewart
Korchinski	McKnight	Tardif
Kushner	McMillan	Taylor
Lachance	Mitges	Tessier
Lajoie	Munro (Esquimalt-Saanich)	Thacker
Lalonde	Munro (Hamilton East)	Thomson
Lambert	Neil	Tobin
Lamontagne	Nicholson (Miss)	Tousignant
Landers	Nickerson	Towers
Lang	Nielsen	Trudeau
Laniel	Nowlan	Turner
Lapierre	Oberle	Veillette
Lapointe (Charlevoix)	Olivier	Watson
Lapointe (Beauce)	Ostiguy	Wenman
Lawrence	Ouellet	Whelan
LeBlanc	Paproski	Wilson
Leduc	Parent	Wright
	Patterson	Yanakis—213.
	Penner	

Madam Speaker: I declare the motion lost.

Mr. McRae: Madam Speaker, I would like to have the record show that I was present for the vote but I refrained from voting.

[*Translation*]

Mr. Pelletier: Madam Speaker, I was also present when the vote was held, but I did not vote.

Mr. Duclos: Madam Speaker, I expressly abstained.

• (1820)

[*English*]

Mr. Weatherhead: Madam Speaker, my position is the same as the two previous speakers.

Some Hon. Members: What position is that?

Mr. Frith: Madam Speaker, I would like the record to show that I was present and abstained from voting.

Mr. Irwin: Madam Speaker, I would like the record to show likewise.

Mr. McKnight: Madam Speaker, I would like the record to show that I was here and that I voted.

Some Hon. Members: Hear, hear!

Madam Speaker: Before we proceed to the vote on the Estimates, I would like to rule on certain of the Opposition notices. Notices Nos. 9 and 13 listed under the Main Estimates oppose statutory items. As I stated in my ruling on June 6, 1983, when ruling on a point of order raised by the Hon. Member for Mississauga South (Mr. Blenkarn) in relation to a statutory item, such items are not treated as budgetary matters; they are for information purposes only. In this regard I refer Hon. Members to citations 484 and 498 of Beauchesne's Fifth Edition. Therefore I must rule that notices Nos. 9 and 13 are not receivable. That disposes of two of the three separate votes which were to take place.

[*Translation*]

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF AGRICULTURE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $44,561,000 under the Department of Agriculture—Administration, in Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), 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 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 yeas have it.

And more than five Members having risen:

Madam Speaker: Call in the Members. Shall we dispense with the bells?

Some Hon. Members: Agreed.

[*English*]

Mr. Deans: Madam Speaker, I rise on a point of order. I am sorry, but following the agreement that was made earlier, would you be kind enough to refer to the proposal put by the Government House Leader in order that I can determine exactly which votes we are dealing with at the moment?

Madam Speaker: Order, please. In accordance with the proposal made by the President of the Privy Council (Mr. Pinard), we are on motion No. 1 and the opposed item in the Main Estimates No. 1, provided any division shall apply to opposed items in the Main Estimates, Nos. 2, 6, 7, 14, 16, 17, 18 and 19, and the motion for concurrence in the main Estimates.

The House divided on the motion (Mr. Gray) which was agreed to on the following division:

(Division No. 334)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

● (1830)

Madam Speaker: I declare the motion carried.

Motion No. 1 agreed to.

Mr. Nielsen: Madam Speaker, I rise on a point of order. I thought that I had heard my name called in support of the motion to restore, but some of my colleagues close around me inform me that it was not. I want to ensure that my name is recorded as being in favour of the motion.

Madam Speaker: That is what the Chair understood.

MOTION FOR CONCURRENCE IN VOTE 5, DEPARTMENT AGRICULTURE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 5, in the amount of $203,900,000 under the Department of Agriculture—Agri-Food Development—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(Division No. 335)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Domm
Dubois
Duclos
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell
Ferguson
Fisher
Fleming

Messrs.

Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Friesen
Frith
Gamble
Garant
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette
(Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss)
(Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro
(Esquimalt-Saanich)
Munro
(Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid
(St. Catharines)
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott
(Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.)
(Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 2 agreed to.

MOTION FOR CONCURRENCE IN VOTE 1, MINISTRY OF STATE FOR ECONOMIC DEVELOPMENT

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $18,350,000 under the Ministry of State for Economic Development—Program expenditures and contributions, in the Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 336*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson

Messrs.

Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 3 agreed to.

MOTION FOR CONCURRENCE IN VOTE 5, MINISTRY OF STATE FOR ECONOMIC DEVELOPMENT

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 5, in the amount of $4,942,000 under the Ministry of State for Economic Development—Northern Pipeline Agency, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), 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 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 yeas have it.

And more than five Members having risen:

Madam Speaker: Call in the Members. Shall we dispense with the bells?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Gray) which was agreed to on the following division:

(Division No. 337)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski

Messrs.

Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

● (1840)

Madam Speaker: I declare the motion carried.

Motion No. 4 agreed to.

MOTION FOR CONCURRENCE IN VOTE 25, DEPARTMENT OF ENERGY, MINES AND RESOURCES

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 25, in the amount of $1,150,000,000 under the Department of Energy, Mines and Resources—Petroleum Incentives Program, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 338*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 5 agreed to.

Supply

MOTION FOR CONCURRENCE IN VOTE 50, DEPARTMENT OF ENERGY, MINES AND RESOURCES

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 50, in the amount of $306,586,000 under the Department of Energy, Mines and Resources—Atomic Energy of Canada Limited—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(Division No. 339)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 6 agreed to.

MOTION FOR CONCURRENCE IN VOTE 55 DEPARTMENT OF ENERGY, MINES AND RESOURCES

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 55, in the amount of $29,310,000 under the Department of Energy, Mines and Resources—Atomic Energy of Canada Limited—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(Division No. 340)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie

Motion No. 7 agreed to.

MOTION FOR CONCURRENCE IN VOTE 40, DEPARTMENT OF EXTERNAL AFFAIRS

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 40, in the amount of $35,000,000 under the Department of External Affairs—Payment to the Export Development Corporation for operating losses, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 341*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

Messrs.

Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 8 agreed to.

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF FINANCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $39,769,000 under the Department of Finance—Financial and economic policies, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 342*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)

Messrs.

Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 10 agreed to.

MOTION FOR CONCURRENCE IN VOTE 30, DEPARTMENT OF FINANCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 30, in the amount of $1,544,000 under the Department of Finance—Tariff Board—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(Division No. 343)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 11 agreed to.

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $48,731,900 under the Department of Indian Affairs and Northern Development—Administration, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(Division No. 344)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin

Messrs.

Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 12 agreed to.

MOTION FOR CONCURRENCE IN VOTE 10, DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 10, in the amount of $510,569,000 under the Department of Industry, Trade and Commerce—Trade-Industrial—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 345*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beatty
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne
(Chicoutimi)
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
Gauthier
Gilchrist
Gimaiel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette
(Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
Jarvis
Jelinek
Johnston
Joyal
Kaplan
Kelly
Kempling
Kilgour
Killens (Mrs.)
King
Korchinski
Kushner
Lachance
Lajoie
Lalonde
Lambert
Lamontagne

Messrs.

Landers	McKnight	Roche
Lang	McLean	Rompkey
Laniel	McMillan	Rooney
Lapierre	McRae	Rossi
Lapointe (Charlevoix)	Mitges	Roy
Lapointe (Beauce)	Munro (Esquimalt-Saanich)	Savard
Lawrence	Munro (Hamilton East)	Schellenberger
LeBlanc	Murta	Schroder
Leduc	Neil	Scott (Hamilton-Wentworth)
Lefebvre	Nicholson (Miss)	Shields
Lewis	Nickerson	Siddon
Loiselle	Nielsen	Simmons
Lumley	Nowlan	Smith
MacBain	Oberle	Speyer
MacDonald (Miss) (Kingston and the Islands)	Olivier	Stevens
MacGuigan	Ostiguy	Stewart
MacLaren	Ouellet	Tardif
MacLellan	Paproski	Taylor
Malépart	Parent	Tessier
Malone	Patterson	Thacker
Maltais	Pelletier	Thomson
Marceau	Penner	Tobin
Massé	Pepin	Tousignant
Masters	Pinard	Towers
Mayer	Portelance	Trudeau
Mazankowski	Prud'homme	Turner
McCain	Reid (St. Catharines)	Veillette
McCauley	Reid (Kenora-Rainy River)	Watson
McCuish	Roberts	Weatherhead
McDermid	Robinson (Etobicoke-Lakeshore)	Wenman
McKenzie		Whelan
McKinnon		Wilson
		Wright
		Yanakis—225.

NAYS

Messrs.

Althouse	Hovdebo	Murphy
Anguish	Jewett (Miss)	Nystrom
Benjamin	Keeper	Ogle
Blackburn	Knowles	Orlikow
Blaikie	Lewycky	Parker
Broadbent	Manly	Riis
Deans	McDonald (Ms.) (Broadview-Greenwood)	Sargeant
de Jong	Miller	Skelly
Fulton	Mitchell (Mrs.)	Waddell
Heap		Young—29.

Motion No. 14 agreed to.

MOTION FOR CONCURRENCE IN VOTE 25, DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 25, in the amount of $185,000,000 under the Department of Industry, Trade and Commerce—Payments under the Small Business Investment Grant Act, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Madam Speaker: On division?

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 yeas have it.

And more than five Members having risen:

Madam Speaker: Call in the Members. Shall we dispense with the bells?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Gray) which was agreed to on the following division:

(*Division No. 346*)

YEAS

Messrs.

Allmand	Dawson	Gourd (Argenteuil-Papineau)
Appolloni (Mrs.)	De Bané	Gourde (Lévis)
Bachand	de Corneille	Gray
Baker (Gander-Twillingate)	Demers	Guilbault
Beauchamp-Niquet (Mrs.)	Deniger	Harquail
Bégin (Miss)	Desmarais	Herbert
Berger	Dingwall	Hervieux-Payette (Mrs.)
Blais	Dion	Hopkins
Blaker	Dionne (Chicoutimi)	Hudecki
Bloomfield	Dionne (Northumberland-Miramichi)	Irwin
Bockstael	Dubois	Isabelle
Bossy	Duclos	Ittinuar
Breau	Dupont	Johnston
Bujold	Dupras	Joyal
Burghardt	Duquet	Kaplan
Bussières	Erola (Mrs.)	Kelly
Caccia	Ethier	Killens (Mrs.)
Campbell (Miss) (South West Nova)	Evans	Lachance
Campbell (Cardigan)	Ferguson	Lajoie
Chénier	Fisher	Lalonde
Chrétien	Fleming	Lamontagne
Collenette	Flis	Landers
Comtois	Foster	Lang
Corbin	Fox	Laniel
Corriveau	Francis	Lapierre
Cosgrove	Frith	Lapointe (Charlevoix)
Côté (Mrs.)	Garant	Lapointe (Beauce)
Cousineau	Gauthier	LeBlanc
Cullen	Gimaïel	
Daudlin	Gingras	

Messrs.

Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 15 agreed to.

MOTION FOR CONCURRENCE IN VOTE L30, DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote L30, in the amount of $1,600,000 under the Department of Industry, Trade and Commerce—Advances to assist Canadian defence industry, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 347*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beatty
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne
(Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette
(Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss)
(Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro
(Esquimalt-Saanich)
Munro
(Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle

Messrs.

Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 16 agreed to.

MOTION FOR CONCURRENCE IN VOTE 65, DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 65, in the amount of $19,087,000 under the Department of Industry, Trade and Commerce—Payments to the Federal Business Development Bank, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(Division No. 348)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 17 agreed to.

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF NATIONAL DEFENCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $5,248,893,000 under the Department of National Defence—Defence Services—Operating expenditures, in the Main

Supply

Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 349*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 18 agreed to.

MOTION FOR CONCURRENCE IN VOTE 10, DEPARTMENT OF NATIONAL DEFENCE

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 10, in the amount of $164,341,519 under the Department of National Defence—Defence Services—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 350*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday

Messrs.

Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss) (Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.) (Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion No. 19 agreed to.

MOTION FOR CONCURRENCE IN VOTE 5, PARLIAMENT—HOUSE OF COMMONS

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 5, in the amount of $102,795,500 under Parliament—House of Commons, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), 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 No. 20 agreed to on division.

MOTION FOR CONCURRENCE IN VOTE, 1 DEPARTMENT OF THE SOLICITOR GENERAL

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 1, in the amount of $18,081,000 under the Department of the Solicitor General—Administration, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 351*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence

Messrs.

Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 21 agreed to.

MOTION FOR CONCURRENCE IN MAIN ESTIMATES, 1984

Hon. Herb Gray (President of the Treasury Board) moved:

That the Main Estimates for the fiscal year ending March 31, 1984, laid upon the Table, Tuesday, February 22, 1983, except those items disposed of earlier this day, and less the amounts voted in Interim Supply, be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 352*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beatty
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crouse
Cullen
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne
(Chicoutimi)
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
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Harquail
Hawkes
Hees
Herbert

Messrs.

Hervieux-Payette
(Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Isabelle
Ittinuar
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
Lumley
MacBain
MacDonald (Miss)
(Kingston and the Islands)
MacGuigan
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro
(Esquimalt-Saanich)
Munro
(Hamilton East)
Murta
Neil
Nicholson (Miss)
Nickerson
Nielsen
Nowlan
Oberle
Olivier
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid
(St. Catharines)
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott
(Hamilton-Wentworth)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Towers
Trudeau
Turner
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wright
Yanakis—225.

NAYS

Messrs.

Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Knowles
Lewycky
Manly
McDonald (Ms.)
(Broadview-Greenwood)
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Riis
Sargeant
Skelly
Waddell
Young—29.

Motion agreed to.

MOTION FOR CONCURRENCE IN VOTE 2A, MINISTRY OF STATE FOR SOCIAL DEVELOPMENT

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 2a, in the amount of $240,000,000 under the Ministry of State for Social Development—Canadair Limited, in the Supplementary Estimates (A) for the fiscal year ending March 31, 1984, be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 353*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau

Messrs.

Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 1 agreed to.

MOTION FOR CONCURRENCE IN VOTE 3A, MINISTRY OF STATE FOR SOCIAL DEVELOPMENT

Hon. Herb Gray (President of the Treasury Board) moved:

That Vote 3a, in the amount of $60,000,000 under the Ministry of State for Social Development—de Havilland Aircraft of Canada Limited, in the Supplementary Estimates (A) for the fiscal year ending March 31, 1984, be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 354*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion No. 2 agreed to.

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES (A)

Hon. Herb Gray (President of the Treasury Board) moved:

That the Supplementary Estimates (A) for the fiscal year ending March 31, 1984, laid upon the Table, Wednesday, May 18, 1983, except those items disposed of earlier this day, be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 355*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
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
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—137.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wright
Young—118.

Motion agreed to.

[*Translation*]

Mr. Gray moved that Bill C-164, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending March 31, 1984, be read the first time and printed.

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

Mr. Gray moved that Bill C-164, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending March 31, 1984, be read the second time and referred to the Committee of the Whole.

Motion agreed to, Bill read the second time and the House went into Committee thereon, Mr. Francis in the Chair.

[*English*]

Clauses 2 to 6 inclusive agreed to on division.

Schedule A agreed to on division.

Schedule B agreed to on division.

Clause 1 agreed to on division.

Preamble agreed to.

Title agreed to.

The Chairman: Shall I report the Bill?

Some Hon. Members: On division.

Bill reported.

[*Translation*]

Mr. Gray moved that the Bill be concurred in.

Motion agreed to.

Mr. Gray moved that the Bill be read the third time and do pass.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: On division.

Motion agreed to, Bill read the third time and passed.

Madam Speaker: It being almost 7 p.m., the House stands adjourned until eleven o'clock tomorrow morning.

At 6.57 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, June 15, 1983

The House met at 2 p.m.

• (1405)

[*English*]

HOUSE OF COMMONS

VACANCY

Madam Speaker: I have the honour to inform the House that I have received a communication notifying me that a vacancy has occurred in the representation, namely, Hon. Elmer M. MacKay, Esquire, Member for the electoral district of Central Nova, by resignation. Accordingly I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the said electoral district.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

INTERNATIONAL MARITIME ORGANIZATION

TWENTY-FIFTH ANNIVERSARY

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): Madam Speaker, the International Maritime Organization (IMO), a specialized agency of the U.N., held its fiftieth Council session recently in London, England. Canada was the first country to join the IMO in 1948 and has played an important part in its development over the years. One hundred and twenty-four nations are now members of IMO, and a Canadian, Mr. W. A. O'Neil, President of the St. Lawrence Seaway Authority, is chairman of the governing council.

IMO's main objective is to facilitate co-operation among Governments on technical and related matters affecting shipping, particularly in the promotion of safety of life at sea and the prevention of maritime pollution from ships. This is accomplished by consideration and adoption of international agreements, technical assistance to governments, and an extensive exchange of information between governments.

This year, 1983, is an important one for the organization, as it is celebrating its twenty-fifth anniversary and can look back proudly on accomplishments which are reflected in the number of international conventions on maritime matters which have entered into force. This past session of Council, which I had the privilege of attending, marked a further milestone when Her Majesty the Queen officially opened the impressive new IMO building on the Thames River in London.

It is with pride that I draw this organization to the attention of the House, both because of the important and vital role Canada has assumed in its development, and in recognition of the number of accomplishments the organization has achieved in making life safer for seafarers and for the prevention of pollution of our oceans.

* * *

POLITICAL PARTIES

NEW DEMOCRATIC PARTY'S POSITION ON DISARMAMENT AND WEAPONS TESTING

Mr. Bill Domm (Peterborough): Madam Speaker, yesterday the New Democratic Party used an Opposition day to debate the proposed testing of the Cruise missile in Canada. Members of Parliament and the Canadian public were treated to an emotional appeal for non-participation in NATO's military plan. The motion was worded in such a way as to increase the emotional effectiveness of the appeal. It implied that nuclear weapons might, at some future date, be tested in Canada. I cannot think of a more despicable method of debating than the deceitful use of fear, plus child exploitation, in an attempt to score political points.

After the debate on the ambiguous motion, which was handily defeated, the Government introduced its Main and Supplementary Estimates for 1983 and 1984. Any item which was disputed by Members was voted on individually. The remaining Estimates were voted on in toto. The Members of the New Democratic Party voted against the acceptance of the 1983-84 Estimates. The interesting part of this vote was that, included in the Main Estimates, were several allocations for the continuation of disarmament and arms control efforts. It is surprising that the New Democratic Party did not see fit to support these items after all their fine rhetoric of the afternoon. They could have done so by forcing separate consideration of the External Affairs Estimates, Vote 10. One can only assume that the New Democratic Party is more interested in political gain for itself than in the attainment of peace and security for mankind.

* * *

SPORTS

SASKATOON'S EFFORTS TO SECURE NATIONAL HOCKEY LEAGUE FRANCHISE

Mr. Bob Ogle (Saskatoon East): Madam Speaker, hockey fans in Saskatoon and Saskatchewan were heartened yesterday when the Prime Minister (Mr. Trudeau) indicated that he

would use his "good offices" to influence the President of the National Hockey League, John Ziegler, and help Saskatchewan and Saskatoon get an NHL franchise. Now I do not know what the Prime Minister's "good offices" amount to, but whatever they are I ask him to use them quickly.

Yesterday, Louis Susman, a prominent sports lawyer, flew to New York with an offer from a Vancouver businessman to buy the St. Louis Blues. There are other offers being prepared as well. Without a doubt Susman will be carrying a proposal, and because the NHL needs to find an owner for the Blues he will probably make a deal quickly.

The Mayor of Saskatoon, Cliff Wright, and his associates are working hard and are continuing to build the provincial base that is necessary to put the team on a firm financial footing.

The NHL seems not to understand that hockey fans in the Province of Saskatchewan are like the Saskatchewan Roughriders' football fans; they drive any distance, whether it is 50, 100, 200 or 300 kilometres, to support the team.

Once again my plea is for the little people, the ordinary hockey fan who has little or no power in the business world of professional sports, the person who frequently has given up belief that anybody really cares about his or her wishes. Saskatchewan fans feel that they are the soul of hockey. They know that their Province has been the home and the training ground of generations of professional players. None have had the opportunity to support their own professional team. In the Saskatoon Blues, this is a real possibility. So I ask that whatever will be done by the good offices of the Prime Minister be done quickly and well.

* * *

[*Translation*]

EXTERNAL AFFAIRS

ISRAELI-ARAB CONFLICT—APOLOGIES TENDERED BY MEMBER FOR LAURIER FOR CERTAIN REMARKS

Mr. David Berger (Laurier): Madam Speaker, I would like to apologize to the Senate Committee for some rather heated remarks I made yesterday. I also wish to apologize to Mayor Freij of Bethlehem who has been saying for ten years that the Palestinians on the West Bank want to live in peace with Israel.

[*English*]

I made my comments somewhat out of frustration, because many of the questions in the committee yesterday dealt with various aspects of the military government on the West Bank, and I feel they painted somewhat of an unfair picture. For example, one of the members of the committee expressed his dismay that Mayor Freij could not display the flag of the PLO in his office. No one mentioned, however, that the PLO flag is anathema to all Israelis, that it represents a terrorist organization which is committed to destroying Israel, which has killed hundreds of innocent citizens and has gloried in those deaths. It is perhaps the flag of Mayor Freij. It is also the flag of Hawatmeh, Jibril, Abu Nidal and Habash.

• (1410)

Military rule is cruel, Madam Speaker, but I thought that there was little understanding yesterday of the fact that Israel has been in a state of war for 35 years, that it is faced by 21 Arab countries with a population of over 100 million people—

Madam Speaker: Order, please.

* * *

POLITICAL PARTIES

NEW DEMOCRATIC PARTY'S VOTES AGAINST GOVERNMENT'S SPENDING ESTIMATES

Mr. Scott Fennell (Ontario): Madam Speaker, to be critical of Government spending is one thing, especially when one is a good Conservative. But last night Members of the NDP voted against all of the Estimates and their ideologies. They voted against the Federal Business Development Bank which gives direct support to small business, and they voted against the Farm Loans Interest Rebate Act which keeps farms from going under. Last night Members of the NDP voted against job creation.

At a time when Canada's commitment to NATO is a disgrace and the Government has quite rightly tried to make use of the defence industry as a means of job creation, the NDP Members withheld support. They voted against the Petroleum Incentives Program which would create jobs in oil exploration. Worse still, on the Main Estimates they voted against the administrative expenses of the Farm Credit Corporation, CMHC and mortgage assistance, and welfare, and Unemployment Insurance. At least the Conservatives realize, Madam Speaker, that someone has to type up the forms or write the cheques which provide the assistance.

What does this mean? Simply this: By their actions last night the Members of the NDP have proved beyond a doubt that their ideology is shakier than their showing in the Gallup polls and, if possible, shakier than their support among the electorate.

Madam Speaker: I would just like to warn the Hon. Member that at some point in his statement, though not throughout the whole of it, I think he was reflecting on a vote, and that is not allowed.

* * *

[*Translation*]

NATIONAL PARKS

ACQUISITION OF MINGAN ARCHIPELAGO

Mr. André Maltais (Manicouagan): Madam Speaker, I would like to transmit to the House the best wishes of the people of Havre-Saint-Pierre, Longue-Pointe-de-Mingan,

Mingan and Natasquan and their appreciation of the fact that the Canadian Government has purchased the Mingan Archipelago. "*Tous les bouleaux de la rivière Mingan s'en rappellent*", a line from one of Gilles Vigneault's songs. The Mingan Archipelago will now become one of the great attractions of this vast country of ours, and I believe that all Canadians are pleased about the fact that we shall now have a very wonderful park in Eastern Canada. Madam Speaker, I would like to add that people on the North Shore were very disappointed in the attitude of the Quebec Minister of Tourism, who said that the Canadian Government had paid an excessively high price for the Mingan Islands. To the people on the North Shore, the Islands are priceless, and perhaps I may say that by acting the way it did, the Canadian Government has saved Quebecers $2 million, because the $5 million are now spread over all ten provinces, which means $500,000 per province, a perfect example of co-operative federalism. Finally, Madam Speaker, I would like to say that I received many telegrams supporting this transaction from the people around the Mingan River and the Mingan area, and I think that I can therefore safely say that everyone is pleased, and we hope that Quebec will co-operate, for the sake of the people on Quebec's North Shore and for the sake of all Canadians and the whole world, since the UN has recognized the international importance of the Mingan Archipelago.

* * *

[*English*]

POLITICAL PARTIES

NEW DEMOCRATIC PARTY'S OPPOSITION TO AGRICULTURE ESTIMATES

Mr. Ron Stewart (Simcoe South): Madam Speaker, the agri-food industry and its supply and services industries comprise approximately 40 per cent of Canada's economy. While only 5 per cent of our population is engaged in primary food production, the agri-food system employs 18 per cent of the Canadian labour force. It has often been said that, as goes agriculture, so goes the nation.

One of our major problems today is the continued loss of farms and farmers. Poor economic conditions have worsened the situation as evidenced by the 60 per cent increase in farm bankruptcies. Canada cannot afford this continued and heavy loss of a productive industry.

The socialist hordes to my left pretend to support agriculture when in reality, as every independent farmer must now realize, they represent state control. The farmers of Canada will know just how concerned the New Democratic Party is for their welfare when they realize that yesterday NDP Members did not support the Main Estimates which targeted over $200 million for agri-food development.

FOOD AND DRUGS

PRICE OF DRUGS—CONDEMNATION OF GOVERNMENT POLICY

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, the Minister of Consumer and Corporate Affairs (Mr. Ouellet) is reported to be preparing amendments to the compulsory licensing provisions for drug patents, to assist pharmaceutical manufacturers in their goal of gouging the Canadian consumer. He is aided in this enterprise by the Hon. Martin O'Connell who is now working as an adviser to the Minister and who was, until recently, employed by the drug companies which are seeking these changes.

The alliance of big business and the Government against Canadian consumers and small drug manufacturers should be instructive to farmers and gardeners who have been expecting this kind of action to be taken under Bill C-32 which would grant similar patent rights to corporate plant breeders. Seed buyers will see the way that patents are used to reinforce monopoly positions over certain drugs. They can also see the way that Government bows to pressures by some of the same companies which are also very active in the seed business around the world.

• (1415)

Prices charged by licensed companies competing with the giants fell by 67 per cent on the 16 best selling drugs in the four years following the loosening up of the patent provisions in 1969. Now it appears that the Government is going to reverse that good policy which allow automatic licensing. Consumers of drugs in Canada should know what the effect of this will be on drug prices. I urge the Government to reconsider this disastrous policy, and to maintain automatic licensing which allows the manufacture of drugs in Canada at prices people can afford.

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

CANADAIR—GOVERNMENT'S RESPONSIBILITY FOR CORPORATION'S AFFAIRS

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is for the President of the Treasury Board in his role as the reporting Minister of Canadair and any parent of Canadair. Would the Minister clear the air on the certainty that the Government accepts responsibility through the various Ministers of the Crown for the debacle that has occurred in Canadair, bearing in mind that every month for years past the reporting Minister received internal financial statements with respect to Canadair? Is he accepting responsibility for this debacle?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I am surprised at the Hon. Member's naivete, because he himself, as President of the Treasury Board in a previous Government that did not remain in power very long, received reports on the situation at Canadair, and it was his responsibility to take action, but he did not. We, on the other hand, have taken action.

[*English*]

Mr. Stevens: Madam Speaker, once again the Minister is quite wrong. We did take action; we started to privatize it.

CORPORATION'S LOSSES—REQUEST THAT MINISTER LAUNCH INVESTIGATION

Mr. Sinclair Stevens (York-Peel): Let me put my second question to the same Minister, Madam Speaker. In view of the fact that the write-off of $1.4 billion is equal to the total loss last year of Massey-Ferguson, NuWest Group, Inco, CNR and Sidbec, all together, would the Minister at least arrange for a proper inquiry into what happened leading up to this type of write-off, bearing in mind that we have been sand bagged in the Finance Committee and are getting nowhere in other Committees? The public should know why the Government has acted in such an incompetent way.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member started by saying that he had come up with an answer to the Canadair problem when he was President of Treasury Board, and I realize that his incompetence and that of his Government were such that he was unable to implement his solution. We have also started to deal with the situation, by making a thorough analysis of Canadair's commercial viability, with a view to restoring its commercial position. A few days ago, the Minister responsible in the other place tabled a full report on the financial situation of Canadair. The authorities of the new corporation responsible for monitoring and providing strict management principles for Canadair and other corporations, will be tabling a commercial development plan for Canadair, and Hon. Members as well as the Canadian public have had a unique opportunity in recent weeks to obtain information on the past and future positions of these corporations.

[*English*]

INQUIRY RESPECTING ROLE OF VICE-CHAIRMAN

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my supplementary question is directed to the same Minister who indicates that the Government has been taking action. If that is so, would he indicate to the House why it has allowed the Vice-Chairman, Jean-Pierre Goyer, to continue—he is known to many in this House and especially to many in the Prime Minister's office? Would the Minister answer that very simply question? Will the government indeed accept the responsibility for this debacle at Canadair, and not pass it on to management as it seems to want to do?

• (1420)

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member knows perfectly well how Canadair operates. It is a Government-owned corporation which operates on a commercial basis. Our diagnosis was that there were a number of problems that required a more sustained presence of the principal shareholder. This was achieved by creating a new corporation whose objective will be to provide for a regular and constant presence of the Government as shareholder, to safeguard the interests of all Canadians and to provide for stricter management of Canadair as well as more realistic market expectations.

* * *

[*English*]

INDUSTRY

NABU CORPORATION'S ANNOUNCEMENT OF LAY-OFFS

Miss Pat Carney (Vancouver Centre): Madam Speaker, in the absence of the Minister of Industry, Trade and Commerce my question is directed to the President of the Treasury Board. I should note, Madam Speaker, that the Government blames the management of Canadair. The Government was the management of Canadair.

Some Hon. Members: Hear, hear!

Miss Carney: After sinking $125 million of taxpayers' money into Consolidated Computers Incorporated, the Government announced in November, 1981, that it was selling the company to Nabu Manufacturing Corporation for $100,000 cash. At the time the then Minister of Industry, Trade and Commerce justified the bargain price by saying Nabu had committed to keep the company in operation for at least two years, to provide sufficient working capital to achieve that—

Madam Speaker: Order. Order, please. I must again remind the Hon. Member that questions should be short. I could be even stricter and not allow the Hon. Member to read the question. One could use notes but one should not be reading out questions. If they are not read, I am sure they would be shorter.

Miss Carney: This week Nabu announced it was laying off over 100 of its Canadian manufacturing employees. Can the Minister tell the House if Nabu has broken a commitment to preserve Canadian manufacturing employees jobs, or did the Government exaggerate the benefits of the deal in order to justify its expenditure and the $125 million loss of the taxpayers' money?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I do not believe that the actual wording of

the release supports the exact interpretation given by my hon. friend. I will have to inform myself on the current situation of the Minister of Industry, Trade and Commerce and get back to my hon. friend.

Miss Carney: Madam speaker, I was quoting from the Minister's press release at the time, so it was a direct quote.

RESEARCH GRANT PROVIDED TO CORPORATION

Miss Pat Carney (Vancouver Centre): Madam Speaker, last December Nabu received an additional $8.9 million in the form of a research grant from the Department of Industry, Trade and Commerce. In light of its recent announcement of lay-offs of Canadian manufacturing employees, what guarantees did the Government receive in the form of job guarantees for this money? How does the Government monitor the activities of companies which receive taxpayers' money? Or has this Government simply once again thrown more good money after bad?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, again I believe that question is best directed to the Minister of Industry, Trade and Commerce.

Mr. Stevens: He is not here.

Mr. Gray: However, I am confident that there are arrangements to monitor the grants in question, and the details on that can be presented by the Minister of Industry, Trade and Commerce.

* * *

BANKS AND BANKING

INCREASE IN PROFITS OF CHARTERED BANKS

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is directed to the Minister of Finance who is well aware of the struggle which the average Canadian is having these days. The typical small business person in Canada is simply trying to keep his business in the black and struggling to do just that. The Minister of Finance earlier this week accused workers of asking for too much with their wage demands in excess of 5 per cent.

I will remind the Minister that the Deputy Prime Minister was on record earlier as asking the banks to bleed a little bit. We find out today, Madam Speaker, that the banks' profits are up 40 per cent. The concern now is that bank profits in 1983 will be higher than in 1981. Will the Minister indicate to this House whether he feels that the banks are playing a fair role in the recovery program, and does he not feel that profits which are up 40 per cent over last year could be considered somewhat excessive?

● (1425)

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I would like first to tell the Hon. Member I have drawn the public's attention to a particular collective agreement arrived at in Nova Scotia. I did not point the finger at the workers, I pointed the finger at management and workers for a contract which will last over four years at over 11.5 per cent. This is clearly excessive taking into account the current conditions. Look at the competition that Nova Scotia has to face in this country and which Canada has to face vis-à-vis the United States in particular, where at the present time wage settlemants are well below 5 per cent in a lot of industries. If we want to remain competitive, enlarge our economy and have jobs for our workers, we better remain competitive. That is the criterion.

Some Hon. Members: Hear, hear!

Mr. Lalonde: My hon. friend is referring to the banks and he is resorting to the same kind of mathematical games I referred to in a recent speech. He knows that if, for instance, a company's profits in 1982 went down, let us say 50 per cent compared to 1981, even if you have a 100 per cent improvement in profits this year you will only be back where you were in 1981. My friend is resorting to this kind of gamesmanship with figures. What we need is more profit so that there will be more jobs with more Canadians put back to work as a result of more investment by Canadians. We have to do this.

Madam Speaker: Order.

Mr. Riis: Madam Speaker, talking about profits, we in this Party prefer to see profits going into the small business sector as opposed to the chartered banks of Canada. The Minister of Finance, in his effort to mislead the House, inadvertently I am sure, refrained from indicating that the first six months' profit of the major chartered banks of Canada are up nearly $1 billion over last year. So to suggest that that is some immaterial profit gain, I think is being a little simplistic.

PENALTIES IMPOSED FOR RENEGOTIATION OF MORTGAGES

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, as Members of Parliament will be aware, there are thousands and thousands of Canadians who are attempting to renegotiate their mortgages. We have case after case of people being asked to pay $5,000—

Madam Speaker: Order, please. Would the Hon. Member be shorter in his questions, please.

Mr. Riis: Madam Speaker, I am simply taking as long as the Minister did in his response, but I will be short.

Considering the varied approaches financial institutions take when it comes to mortgage renegotiation, is the Minister of Finance prepared to step in and meet with the heads of the various institutions to try to bring about some similarity with regard to the penalty payments required as people attempt to take advantage of the downward trend in interest rates?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I have already taken steps in that regard. I have circulated

to all Members of Parliament, including my hon. friend, the names of the directors of the various financial institutions, whether they are banks, trust companies or loan companies, to whom we should address our representations when we get complaints from our constituents about this. I have also raised the issue with the Superintendent of Banks and with a number of bank presidents I had the opportunity of meeting in the last few weeks. These are the steps I have taken.

Mr. Blaikie: They are ignoring you.

Mr. Lalonde: Also, the Minister of Consumer and Corporate Affairs indicated yesterday some of the views that the Government holds in this regard. I would think, indeed I said, that it seems to me generally a three-month penalty should be enough for any particular institution.

I recognize there have been private contracts entered into by individuals and financial institutions which do not provide for this kind of arrangement. In spite of that fact I have urged and encouraged the institutions to show a little bit more heart, take the present situation into account and try to arrange it so that they can take into account the particular difficulties of individual citizens.

MARGINS BETWEEN LOAN CHARGES AND INTEREST DEPOSIT RATES

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, in the same spirit, since the Minister has indicated he has taken some steps to bring the problem to the attention of the financial institutions, he will be well aware that the small business sector is the job creating sector in our country right now. He will also be aware that the level of bankruptcies in that sector has increased in the last six months. Will he take the same approach with the financial institutions, especially the chartered banks, in terms of their wide margins between what they pay to their depositors and what they charge to the small business sector? Will he consider that particular difference in interest rates?

• (1430)

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, such matters are constantly under review. There is ongoing competition among financial institutions, be they banks, trust companies or others. I do not intend to intervene, issue guidelines and decide on a day-to-day basis what interest rates ought to be paid on deposits in banks or financial institutions, and what interest rates the various kinds of loans ought to command. In my opinion, we should leave the market free to operate and promote as much competition as possible among those institutions. For instance, as a Government we have decided to open Canada's market to foreign banks and to widen the field of activities of the various financial institutions with a view to encouraging and promoting competition. Inasmuch as possible, we have to let markets operate freely and stop expecting that day in and day out the Government or the Opposition will decide what interest rates financial institutions should charge. In my opinion, it stands to reason that the best way to help Canadian consumers is to encourage and promote competition.

* * *

[*English*]

CROWN CORPORATIONS

CANADAIR—MANUFACTURE OF EXECUTIVE JET AIRCRAFT—GOVERNMENT FUNDING

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Minister of National Revenue, who apologizes or speaks for the Minister of State for Social Development in the other place with respect to social causes for people who own large executive jets manufactured by Canadair. The Minister will know that yesterday a further subsidy of $240 million was approved for those who buy these jets. In view of the fact that the company cannot make the jets for what the jets are worth on the marketplace, why is it part of the social policy of the Government to manufacture executive jet aircraft to be sold to wealthy companies, individuals, and Governments, for the care of the executive personnel in the country?

Mr. Lalonde: You've got to be kidding.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, it was rather disappointing to hear the Hon. Member, who sees himself as something of a financial expert in his party, when he made such incredible statements in his introductory remarks. If the Hon. Member had some basic knowledge of the principles of economics, he would realize how important it is to Canada and Canadians to be represented in the aeronautics field. Partisan though he may be, the Hon. Member should at least have the sense to realize that by developing an aircraft like the Challenger, we have taken our place, as a country, in the advanced technology field of aeronautics, and in doing so, there is a price to pay. Some countries bury such costs in their defence expenditures, while others use their Government airlines for the same purpose. Here in Canada, the books are open to public scrutiny, and we are not afraid to reveal the cost of developing this kind of program which will give Canadians a share of the action in a very important field of technology. We have an aircraft we managed to develop ourselves, and Canadians have this know-how because the present Government had the courage to go ahead with the program instead of being afraid to act, like a Government not unknown to the Hon. Member which—

Madam Speaker: Order, please!

[*English*]

GOVERNMENT POSITION

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the apologies are ridiculous. The Minister will know that as of December 20, last year, there were only 11 Canadair aircraft operated in Canada, nine of them by the Government or the Government's agencies, one by Canadair's banker, and one by a private individual, the only people who would buy them, even though they were the third largest consumers of aircraft. No one wants the aircraft. It is not all that good.

Some Hon. Members: Not true.

Mr. Blenkarn: Why does the Government not tell us the truth? Why does it not let the committee find out about the waste, the extravagance, and the losses that the Government is burying in that aircraft company?

Some Hon. Members: Hear, hear!

Mr. Lawrence: Yes or no.

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, unlike what the Hon. Member is alleging, the Government has not been afraid of the facts. We have analyzed the situation of Canadair. The Hon. Member was present when the results of that analysis were explained to Members of certain Committees of this House. The Hon. Member knows we have an excellent aircraft: the Challenger. We have had production and marketing problems, and we have a company that is preparing a financial and commercial recovery program for Canadair. We are going to develop new techniques for marketing the Challenger, and if the Hon. Member lacks the courage to meet this challenge, I am sure that we do have that courage and that we will succeed in marketing this outstanding aircraft.

* * *

[*English*]

SUPPLY AND SERVICES

REGIONAL BREAKDOWN OF CONTRACTS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is directed to the Minister of Supply and Services. The Minister's Department claims to have a regional procurement program, and the Minister pays lip service with respect to purchasing contracts being spread throughout Canada. However, the figures show that central Canada received 77 per cent of all DSS contracts, while the West received only 15 per cent and the Atlantic Provinces received only 7 per cent. How can the Minister justify this discrimination within his own Department against people who are working and living in eastern and western Canada?

Mr. Lawrence: That's where the taxes come from.

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, the hon. gentleman points to figures with which we are indeed very concerned and of which we are very conscious. I want to identify, for the hon. gentleman, that we are making every effort in order to—

Mr. Lewis: I'll bet you are.

Mr. Blais: —send into all the regions of the country as much of the Government's business as is possible. However, we do face some difficulty, namely, that in western Canada—

Mr. Lewis: You don't have any seats.

Mr. Blais: —there is not the sort of concentration of manufacturing that there is in central Canada.

An Hon. Member: Concentration of Liberals.

Mr. Blais: I might indicate to the hon. gentleman that one of the reasons for the Crow changes is exactly to encourage that sort of industrialization of western Canada—

Some Hon. Members: Oh, oh!

Mr. Blais: —which the hon. gentleman, I am sure, wishes.

POLICY ON AWARDING CONTRACTS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, out of $5 billion worth of contracts from the Department, Saskatchewan receives 1 per cent. I will give the Minister an example. Westank-Willock of Regina has found it impossible to obtain contracts from DSS for hopper cars or design engineering for the Department of National Defence's medium logistic wheeled vehicle. The Minister has written to the company to say that, because it does not operate somewhere near Ottawa, it is too inconvenient to carry on and to receive a tender.

Some Hon. Members: Shame!

Mr. Hnatyshyn: In light of these facts, and the policy apparently set by the Minister that if one does not carry on one's business somewhere near Ottawa one will not receive a contract, how can he justify this inherent unfairness? How can he justify this blatant discrimination against people who live and should legitimately expect to do business in eastern and western Canada?

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, the hon. gentleman should be aware of the fact that there is a company called SCD Systems in Saskatoon, with which he is undoubtedly familiar, which has indeed received a great deal of support from the Government of Canada.

Mr. Epp: One per cent.

Mr. Blais: It has been provided with contracts because we have indeed been serious about increasing the level of industrialization of western Canada, including Saskatchewan. I would

be very pleased to provide the hon. gentleman with the comments that I made at that particular time.

In terms of the case which he has identified, I am very sensitive to that case as well, as I have indicated in the correspondence.

Mr. Wilson: One per cent.

Mr. Blais: However, under the circumstances related to that specific case, there was very little that I could do to change the decision that I actually made.

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FISHERIES

JAPANESE BAN ON GREAT LAKES FISH IMPORTS

Mr. Robert Daudlin (Essex-Kent): Madam Speaker, through you I would ask a question of the Minister of Fisheries and Oceans. The Minister will know that through the unfortunate linkage in the Japanese press of erroneous information on dioxin in the Great Lakes and the freshwater smelt fishery, there have been bans placed in Japan on that particular fish. That ban has, in fact, resulted in substantial lay-offs in the Port of Wheatley and other ports on Lake Erie. Would the Minister indicate to the House what steps are being taken by himself and the Government to overcome this erroneous information, to assure the Japanese that there is not the linkage which has been made by the press in that country and that, in fact, normal trade relations in this commodity can be restored?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, may I first say that we do appreciate the importance of the Japanese market to the Canadian fishery. At the moment, it represents the third market for Canada. Second, there were articles in the United States about contamination by dioxin in the Saguenay Bay in Michigan, that were reported in the Japanese press. Third, the Hon. Member is right that there was some confusion in Japan that there could be linkage with the smelt from that area exported from Canada.

• (1440)

I would like to give the firmest assurances that we have tested the smelt exported to Japan from Canada and not a trace of dioxin has been found. I have sent a telex to all interested parties in Japan through our Embassy to tell them the actual fact that, if there is any dioxin in the United States, I can give the most positive and firm assurances that there is absolutely no dioxin in our own smelts that are exported from our own freshwater fishery to Japan.

VIA RAIL

TRANSCONTINENTAL PASSENGER SERVICE

Mr. Les Benjamin (Regina West): Madam Speaker, may I ask the Minister of Transport another question that "smelt" and still does. It takes 23 more hours to travel by rail from Montreal to Vancouver now than it did in 1966. Would the Minister advise the House about the plan to discontinue the Transcontinental passenger train to and from Montreal and transfer the original destination and departure point of the Transcontinental to Toronto, which would mean that people from Montreal would have to change trains and those east of Montreal would no longer be able to board the Transcontinental in Montreal?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, VIA is presently studying many ideas that are on the table. This particular one has not been accepted by the Government. In due course I will inform my hon. friend if it ever is accepted. My hon. friend should not forget the fact that the subsidy to VIA has risen to $750 million a year. I think it is normal for VIA to try to do everything to save money while providing adequate service.

Mr. Benjamin: The money that the Minister puts up, he gives to the CPR and CNR for exorbitant charges to handle the VIA passenger trains.

DINING AND SLEEPING CAR SERVICE

Mr. Les Benjamin (Regina West): Madam Speaker, since the Minister cut the National Capital, the cities of Melville, Jasper, and Edmonton out of the Transcontinental service in 1981, would he confirm that it is the intention of the Government to fractionalize Transcontinental service so that it is intercity, in order not to have to order new Transcontinental passenger equipment and to discontinue dining and sleeping car accommodation on the Transcontinental trains?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I recall vividly that at the time of the 20 per cent cut I indicated that the Transcontinental was maintained. The second Transcontinental going north was divided into a number of intercity service. That is still the situation now.

My hon. friend is possibly referring to the fact that VIA is looking at other arrangements that might resurrect the route between Winnipeg and Saskatoon. But that is one of the many plans that are being looked at now.

* * *

SUPPLY AND SERVICES

FRIGATE CONSTRUCTION CONTRACT—EVALUATION OF PROPOSALS

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Minister of National Defence. He will no doubt recall that on April 29, as reported at page

24992 of *Hansard*, he said this when speaking of the frigate program:

—the responsibility of my Department was to make a very objective evaluation of the proposals from both contractors and then present them to the Cabinet Committee at the appropriate time. I hope to be able to do that in the middle of the month of May—

He has told us outside this Chamber that the bids are still under negotiation with the contractors. Could he explain to us this misleading of the House inadvertent as it might have been?

[*Translation*]

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, I am happy to tell the Hon. Member that the documents are indeed before the Cabinet and that this whole matter is being looked into very thoroughly. We hope to be able to announce a decision within the timeframe set by the Minister of National Defence and myself.

[*English*]

TIMING OF DECISION ON CONTRACT

Hon. Allan B. McKinnon (Victoria): Madam Speaker, it is rather unusual to hear from one Minister why another Minister has misled the House.

On May 9, as reported at page 25282 of *Hansard*, the Minister of Supply and Services said:

We shall be in a position to announce the name of the company that will be awarded the contract by the end of June.

Does he still hope to meet that deadline? While he is on his feet, will he tell us if he has accepted the Conservative suggestion that the shipbuilding itself should be done in shipyards in different regions of this great country?

[*Translation*]

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, what the Minister of National Defence and myself have said is consistent and realistic. We indeed hope to have made our decision by the end of June or the beginning of July. I have certainly heard the representations made by the Hon. member for Victoria, NPD Members as well as Members on this side of the House concerning regional distribution. This is one of the issues which must be considered before we make the decision which will be announced, as I have already said, within the timeframe we had determined.

[*English*]

REQUEST THAT DECISION BE ANNOUNCED IN PARLIAMENT

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, I have a supplementary question for the same Minister. If I understood him correctly, he said that the decision would be made before the end of June, or certainly in July. Would the Minister give the assurance to the House that the decision will be announced in the House before we adjourn for the summer?

[*Translation*]

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, as the Hon. Member can imagine, there are some uncertainties and I can not give him that assurance. We shall certainly try to give our answer before the summer adjournment.

* * *

[*English*]

FORESTRY

REQUEST FOR EXTENSION OF COMMITTEE'S TERMS OF REFERENCE

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, my question is directed to the Minister responsible for forestry. On May 31 and June 7 the committee of this House relating to forestry received some witnesses from the forest industry of New Brunswick. In view of the importance of the representations which they made and the message and information which they carried, would the Minister have the House extend a reference to the committee on forestry to include the study of research requirements, forest management, pest disease and fire control, reforestation, and viable harvest allowances for the forest industry of Canada?

Hon. John Roberts (Minister of the Environment): Madam Speaker, I did not quite catch the beginning of the Hon. Member's question. I understand that he is asking my views about a special reference to the parliamentary committee for an examination of the forest industry across Canada. If that is the case, I will certainly take his representation seriously and reflect upon it.

REQUEST FOR EARLY REFERRAL TO COMMITTEE

Mr. Fred McCain (Carleton-Charlotte): In view of the information which we received indicating that in the little corner of southwestern New Brunswick we have lost ten million cords of wood for harvest, which represents a ten-year supply of wood for the industry in southwestern New Brunswick, it becomes imperative that this reference be made promptly. Another representation was that a forest management policy to replace this wood would take 50 years. Would the Minister reconsider the sort of procrastinating answer which he gave, and in fact authorize this reference between now and the closing of the House so that the committee might get to work and have a report in December or January at the latest, so that we could start to plan forest management early next year?

Hon. John Roberts (Minister of the Environment): Madam Speaker, it is not really a question of procrastination. I am not sure if the Hon. Member was present, but I think that he knows that the House very recently had an entire day's debate on the forest industry in Canada. Maybe he missed that debate. I am not sure.

• (1450)

A variety of proposals has been made and actions have been taken in a continuing way over the past three years. For instance, I recommend to the Hon. Member the forest strategy paper which was published two years ago and the proposals for agreements on reforestation which presented to provincial Governments last September. We are in the process of negotiating reforestation agreements with each of the Provinces. We signed one with Nova Scotia. One is ready to be signed with Prince Edward Island. We are anxious to move ahead on signing one with New Brunswick. He will be aware of recent actions which we had taken in New Brunswick for the strengthening of the Maritime Forest Centre, including the federal Government's research centre as a key part of it.

A great deal of action is taking place. Objectives have been established and proposals for implementation have been presented. Programs are under way in every major area of deficiency which we described three years ago in the preparatory work for that action.

It is not a question of procrastination. An enormous amount of work is being done, and is generally being done with the approbation of Hon. Members on all sides of the House. I would like to reflect a little on exactly what are the purposes of such a committee inquiry to see whether this is proper timing in relation to that, or whether some other timing would be more appropriate.

* * *

SCIENCE AND TECHNOLOGY

NABU CORPORATION LAY-OFFS—GOVERNMENT POSITION

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, my question is directed to the minister of State for Economic Development. I want to return to the Nabu question, because technological change is coming on more rapidly than all of us really thought. I would like to refer to a news story, and then ask the Minister a question. In part the article reads:

—Nabu announced it was laying off more than half its 225 manufacturing employees and in future would locate as much of its manufacturing operations as possible in low-wage countries.

With the Minister's well known Pollyanna views about high technological change, and considering that the Government still has an obligation to Nabu workers, and that this is a company to which it indirectly gave $125 million, would the Minister confirm that the Government obtained from Nabu job security and job guarantees for those workers in return for giving the company so much money?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, of course the issue of Nabu is well known going back to the transaction undertaken with the Government of Canada. I am not sure what were the specific terms and conditions of that agreement.

With respect to the specific concerns for unemployed workers, the Government has those same concerns for any company which rationalizes its processes in the manner that we see happening at Nabu. The Hon. Member is well aware of the kinds of steps which have been taken in all sectors to make provision in such circumstances. The same programs will apply in this case. Certainly I will look into the issue of Nabu, given the historical relationship of the company with the Government because of the transaction to which reference was made earlier during Question Period.

Mr. Waddell: The Minister knows that he has in his back pocket a departmental study which shows that technology will not create enough jobs to replace those that evaporate, unless we change the way technological development is happening in Canada.

REQUEST THAT COMMITTEE CONSIDER TECHNOLOGICAL CHANGE

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, would the minister agree that the jobs in this industry are very volatile? We can look at the example of Mitel yesterday and its loss of a contract.

Also, would the minister agree with the views which were expressed a few years ago by the late distinguished Senator Lamontagne, that we require a permanent committee of the House to study technological change and that we should get going on that committee? Why is the Government dragging its heels on this important matter when things are happening all around it affecting Canadian workers who are losing out as a result of technological change?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, certainly the Government is not dragging its heels on this issue. I do not think the striking of a standing committee will solve the kinds of problem the Hon. Member raised, although I would agree, as I said in hearings before the Standing Committee on Miscellaneous Estimates, that indeed such a committee could be valuable in terms of making Canadians aware of the problems and also the opportunities which will arise.

To return to the so-called "study", it was not a study. I have made that point before. It was a document designed to provoke discussing among my colleagues. Obviously the leaking of that document has provoked a good deal of discussion. That is very healthy. The Hon. Member might have noted the study by Informetrica which was published last week that, in turn, with respect to its economic models contradicted the statistics that were put forward and indeed took the view that many more jobs will be created by virtue of these new technologies than there will be jobs lost.

I am not suggesting that anyone knows the answer to this question, but to suggest that we are dragging our heels, when there are studies in almost every Department, when we are meeting with all interested groups, and when the Minister of

Finance indicated that he was establishing a productivity centre to look at these very issues the Hon. Member is addressing which are being negotiated currently by the Minister of Industry, Trade and Commerce and by the Minister—

Madam Speaker: Order, please.

* * *

CANADA POST CORPORATION

CANVASSING OF ADVERTISEMENTS—THREAT TO WEEKLY NEWSPAPERS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is directed to the Minister responsible for Canada Post. Through its postmasters Canada Post is still selling advertising and producing flyers which are then distributed through the mails in direct competition with and threatening the very lifeblood of small weekly newspapers. Two weeks ago the Minister said that he would look into this deplorable situation. Has the Minister looked into it, and what are the results?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): After the question was put to me, Madam Speaker, I conveyed those remarks to the Canada Post Corporation Chairman who told me he would get in touch with the Hon. Member who raised the question so as to give him an explanation. I will make sure that the Hon. Member who is asking the same question gets an explanation from the Canada Post Corporation Chairman.

[*English*]

ROLE OF POSTMASTERS

Mr. Jack Shields (Athabasca): Madam Speaker, as yet the director of Canada Post has not been in touch, so I will ask the Minister one more question. Does he not recognize that if Canada Post is given the mandate to solicit advertising, produce flyers and distribute them, he is putting every postmaster in the country in a conflict of interest position because they, in turn, have the distribution of the local weeklies? They can throw the local weeklies in a corner and hold them back from delivery so that their advertisements go out first. Does the Minister not recognize the very dangerous precedent which he is setting by using postmasters in direct competition with weekly newspapers?

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, I believe the Hon. Member has read the same article that I read outlining the possibility of a conflict of interest. Indeed I will review the situation and discuss it with the officials of the Canada Post Corporation to find out whether or not postmasters are in a conflict of interest position. On the surface I do not think they are, but I would like to look at it in more depth and report back to the House of Commons.

METRIC CONVERSION

MEASUREMENT OF FLOOR COVERING—REQUEST THAT ORDER IN COUNCIL BE RESCINDED

Mr. Bill Domm (Peterborough): Madam Speaker, my information is good news. It has been brought to my attention that the Minister of Consumer and Corporate Affairs, to whom my question is directed, has announced that the Metric Commission has walked its last kilometre.

Some Hon. Members: Hear, hear!

Mr. Domm: Given the fact that there is an Order in Council which indicates, "imperial units of measurement shall not be used in any advertising of floor coverings in Canada after January 1, 1981", would the Minister kindly put this Order in Council in place and rescind it, since carpet retailers across Canada, such as Eaton's, Sears, The Bay, retailers in the cities of Vancouver and Richmond, are all using imperial measurement in the advertising of their floor coverings?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, once again the Hon. Member is turning his dreams into reality. He has his own very peculiar way of presenting facts to the House, but they do not necessarily reflect reality. I might suggest to him that his double question or rather his two suggestions are quite besides the point and he ought to keep up with the facts.

[*English*]

Mr. Domm: I am sure the people across Canada have grown to respect and trust the word of the Minister of Consumer and Corporate Affairs.

SALE OF GASOLINE BY THE GALLON

Mr. Bill Domm (Peterborough): Madam Speaker, my supplementary question is directed to the same Minister. Would he advise the House and his colleagues why in December, 1982, he had a press conference at which time he announced that if the 37 Members of Parliament were to open a service station and sell by the gallon and the litre, he would prosecute? Why has the Minister not prosecuted?

• (1500)

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, I know that the Hon. Member can hardly wait to be hauled into court. I would not want to disappoint him, but I am convinced that the officials of my own Department and the Department of Justice who are looking into this case will straighten him out in due time. Anxious as he is about this issue, perhaps I should point out to the Hon. Member that his insistence on reopening the issue

leads me to believe that business at his service station is probably not as good as he expected and he is advertising to attract customers.

* * *

[*English*]

PETITIONS

MR. WADDELL—EARLY RETIREMENT IN CONSTRUCTION INDUSTRY

Madam Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Vancouver-Kingsway (Mr. Waddell) on Tuesday, June 14, 1983 meets the requirements of the Standing Orders as to form.

* * *

[*Translation*]

HOUSE OF COMMONS

MOTION TO EXTEND SITTING HOURS

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, in accordance with Standing Order 9, I move:

That, commencing Thursday, June 16, 1983 up to and including June 30, 1983, the House shall continue to sit beyond 6,00 p.m., and shall adjourn at 11.00 p.m., on every sitting day provided for in the Standing Orders with the exception of Fridays and days reserved for Private Members' Business.

The motion is seconded by the Hon. Minister of Finance (Mr. Lalonde).

Madam Speaker: Is the House—

[*English*]

Mr. Lewis: Madam Speaker, in speaking to this motion to extend the sitting hours, we note that it comes under Standing Order 9(1), a new Standing Order that was adopted as a result of the—

[*Translation*]

Madam Speaker: Order, please. Did the Hon. Minister asked to be recognized right after he moved his motion? I did not see him rise.

Mr. Pinard: Madam Speaker, out of courtesy to the Chair, I was going to let you finish your sentence. You were asking: Is the House . . . and I did not want to interrupt, but I do have something to say. However, if you would rather not recognize me, I have no objection to giving my colleagues a chance to speak.

Madam Speaker: No, that was not my intention. I was about to put the motion to the House, and I thought the Hon. Member for Simcoe North (Mr. Lewis) was rising on a point of order. I therefore interrupted the proceedings. But I was about to say: Is the House prepared to adopt this motion?

Mr. Deans: No.

Mr. Pinard: Madam Speaker, the motion is an important one, and I realize that the debate has started.

[*English*]

Mr. Deans: Madam Speaker, on a point of order, recognizing that the procedure is quite different from any procedure previously used, and having looked at a similar situation that arose under a different motion some time ago, I would move, seconded by the Hon. Member for Beaches (Mr. Young):

That we proceed to the Orders of the Day.

Madam Speaker: The Hon. Member was recognized on a point of order quite clearly. He knows that in order to make a motion to proceed to the Orders of the Day he must have the floor legitimately. He did rise on a point of order, so a motion to proceed to the Orders of the Day is not acceptable at this particular time.

[*Translation*]

Mr. Pinard: Madam Speaker, as you can see, the debate has started. I wish to speak to the motion. If the Hon. Member insists—

[*English*]

Mr. Deans: Madam Speaker, I rise on a point of order. I would draw to your attention that on a day about three weeks ago the Chair, in ruling on the appropriateness of rising to move a motion of this type, used as a precedent the example of my colleague from Winnipeg North Centre (Mr. Knowles) rising on November 13, 1970, as reported at page 1138 of *Hansard*. The Hon. Member rose on a point of order and said:

Arising out of the discussion and of the whole situation, Mr. Speaker, I move, seconded by the Hon. Member for Comox-Alberni, that the House now proceed to Orders of the Day.

That was the precise reference used by this Speaker to rule me out of order some three weeks ago when I rose to argue the inappropriateness of the Government House Leader moving that precise motion to go to the Orders of the Day during the proceedings then under way, which at that time was the reading of petitions. When I brought to the attention of the Chair that the Hon. Member for Winnipeg North Centre had risen on a point of order and moved that motion, the Chair indicated that that was an appropriate way to do it and used that as the precedent. Having used it as a precedent, the Chair can hardly now turn around and say that I may not now do what the Hon. Member for Winnipeg North Centre did, which was the very precedent on which the Speaker hinged her ruling of some three weeks ago.

Madam Speaker: The Hon. Member is quite wrong. The two situations are not at all analogous. The Hon. Member is now discussing a time at which a similar motion was presented. I just made remarks to the Hon. Member about the way in which he proposed his motion. The Hon. Member may not on a point of order proceed to Orders of the Day because he is, in a sense, taking the floor illegitimately to do something that the Chair is not legitimately aware will be coming up. Therefore, the Hon. Member is out of order because of the fact that he

rose on a point of order to propose his motion to proceed to Orders of the Day.

[*Translation*]

Mr. Pinard: Madam Speaker, I would like to say a few words in support of this motion. If the Leader of the New Democratic Party . . . Madam Speaker—

[*English*]

Mr. Deans: I rise on a point of order.

Some Hon. Members: Oh, oh!

Madam Speaker: Does the Hon. Member have a new point of order? If so I can hear him, but I have already ruled on his first point of order.

Mr. Deans: Madam Speaker, I want to ask if the ruling of the Chair is intended to indicate that one may not move a motion on a point of order. If so, let me refer the Chair to May 7, 1979, page 1049 of *Hansard*, when the President of the Privy Council rose on a point of order to move a motion. The Speaker of the day ruled that there were occasions when it was appropriate to rise on a point of order in order to move a motion. In fact, there were certain motions that could only be moved on a point of order and this happens to be one of those motions. I suggest to the Chair that there is no other way to stop this Government from overriding the Opposition than to rise on a point of order and to move as I did.

• (1510)

[*Translation*]

Mr. Pinard: Madam Speaker, I remember very clearly the occurrence in 1979 to which the Hon. Member was referring. At the time, there was a debate on whether or not the Social Credit Party had been recognized. The Speaker at the time, intending to recognize one Member, actually recognized another Member. I intervened, being in the Opposition at the time, to move that another Member be recognized, under the provisions of Standing Order 29—that is the old numbering, I do not know which Standing Order it is now. The Speaker refused to recognize me on a point of order so that I could move to have another Member recognized. It was not until the next day, after listening to my arguments, that the Speaker acknowledged that there was practically no other way to be recognized in order to interrupt one Member and have another Member recognized.

That was a very specific situation, and at the time, if I remember correctly, the Speaker said that it would have been better if I had indicated, as soon as I rose on a point of order, that I was rising on a point of order under the provisions of Standing Order 29 or 26—whatever, I think it is 29.

Therefore, in the circumstances, what the Hon. Member is saying is incorrect. This was a very specific case where, in fact, I was not recognized, and in which the Speaker told me, after the fact, that I was right and said that I should have specified that I was rising under Standing Order 29.

Finally, in answer to the point raised by the Hon. Member, perhaps I may refer the House to Beauchesne's, Fifth Edition, Citation 234, paragraph 2—

[*English*]

A Member cannot rise on a point of order to move a motion.

[*Translation*]

Madam Speaker: The circumstances of the precedent as described by the Hon. President of the Privy Council are absolutely correct. The situation is entirely different from the one we are discussing today. The Hon. Member for Hamilton Mountain (Mr. Deans) is certainly out of order. He cannot move a motion to proceed to Orders of the Day by rising on a point of order. That is clearly against the Standing Orders, and that is my final decision.

Mr. Pinard: Thank you very much, Madam Speaker.

I would like to speak briefly to the motion I moved earlier, to extend sitting hours between now and the end of June.

It should be understood that this motion is being moved, and I may say Hon. Members are aware of this, pursuant to the new Standing Orders of the House, as part of our experiment in parliamentary reform.

The basis for the motion is as follows: We already know that under the new Standing Orders, the House is to adjourn on June 30. We now have a set parliamentary calendar, and on June 30, the House will have no alternative but to adjourn until September 12 of this year. However, since the Government has traditionally been able to take advantage of part of the summer to wind up its legislative business, the Members of the Special Committee on Parliamentary Reform suggested, with the unanimous consent of the Members on both sides of the House, that a Member, and not necessarily the President of the Privy Council or the Government House Leader, be allowed to move a motion to extend sitting hours during the last two weeks or so of the month of June.

That is exactly what we are doing today. There are several other bills which we would like to get adopted before we adjourn, and we feel that by extending the regular sitting hours for a few days and with the good will of both sides of the House, we can agree to pass a reasonable number of bills. We may then go back to our constituencies and tell our constituents that we have all helped to make Parliament more productive within the framework of our parliamentary reform.

Mr. Speaker, that is the spirit of this motion. What it says in fact is that we ask that, instead of adjourning at 6 o'clock, the House adjourn at 11 o'clock between now and June 30 inclusively. This means that we shall be sitting between 6 o'clock and 11 o'clock, or five hours more than usual on each regular sitting day except Friday, of which there is only one remaining before the end of June since the last two Fridays are legal

holidays, and except on the days when we deal with private members' business. Normally, we do this on Wednesdays, but we have already had discussions on this subject, and while no decision has yet been reached, it seems that we may yet agree to switch the proceedings of Thursdays and Wednesdays for the next two weeks, so that all Hon. Members may leave as early as possible the day before St. John the Baptist Day and Canada Day. I hope that such an agreement can be reached later today or in the next few days.

In the meantime, I could only suggest that our sitting hours be extended every day except on private members' days and this coming Friday, the only one remaining, and we have already informed the Opposition House leaders of the business we would like to deal with on that day.

Mr. Speaker, I hope that the Hon. Members will manage to tone down their animosity towards a number of bills and ensure that our parliamentary reform is success. It is the first time in our history that this type of motion is introduced to extend the sittings hours on seven days, for all practical purposes, which means that we are simply asking Parliament to give us 35 additional hours. It is the first time that we move such a motion, and it would be unfortunate if Members were to oppose it simply to show that they object to some piece of legislation or to try to score political points. Of course, Members are entitled to debate the motion as provided under Standing Order 9. My motion can be debated for two hours, and I do not intend to go on much longer so that as many Members as possible can express their views, but I can understand that some may not agree with the hours I have suggested.

However, I want to point out that I had the courtesy to consult beforehand the House leaders of the Parties opposite well before their caucus meetings this morning, but we could not come to an agreement, which is why I now have to introduce this motion. I find it quite normal that the motion should now be debated for a maximum of two hours provided under our rules and that it then be voted on. Those are the rules of the game, but what I would not like to see, however, would be a filibuster such as my friend the Hon. Member for Hamilton Mountain (Mr. Deans) and House leader of the New Democratic Party had in mind when he suggested that we proceed with the orders of the day. I find it rather difficult to understand why he is doing that. He was a member of the committee on parliamentary reform. Indeed he was one of those who suggested that, in exchange for guaranteeing two summer months to Hon. Members who want to be in their ridings, we would allow the House to sit longer hours during the last two weeks of June. He was one of the strong advocates of that reform, and now he is trying to prevent debate on the motion, he does not want longer hours until the end of June. I wish he would explain his position clearly. If he tells me that it is because he objects to a particular Bill, I can only answer that this is not the time to raise the issue. I think it would be unfair to the Canadian people to prevent Parliament from sitting longer hours until the end of the month simply because the honourable gentleman does not fancy a piece of legislation.

I think that instead of cawing like crows, his colleagues should endorse our motion and commend us for enabling Parliament to sit longer hours to debate as many Bills as possible.

In short, Mr. Speaker, we are proposing that Members opposite have more opportunities for debate and, to my mind, it is ridiculous for a Member to try to thwart us simply because he is against a legislative measure. That flies in the face of our democratic system. I agree that he does not have to support all Government measures. Their duty is to debate in the House and vote against Government Bills, certainly not to bring Parliament to a standstill and particularly not to undermine our credibility as we try to reform Parliament. I deplore that attitude and I hope the Hon. Member for Hamilton Mountain will reconsider his position and realize that he ought not to jeopardize our parliamentary reform because some of his colleagues do not agree with a Government measure.

In conclusion, Mr. Speaker, I am proposing that we sit 35 extra hours from now until the end of the month, and there is a possibility that we might agree to negotiate with the opposition parties to reduce those hours should we dispose more rapidly of a series of legislative measures on which the House has already begun debate and with which the Government would be satisfied. It is quite reasonable to expect that between now an the end of June we might reach agreement on a series of Bills acceptable to both sides of the House, and perhaps that might enable the House to adjourn earlier than 11 p.m. on those days when we propose an extension of the sittings. That is a possibility. I want to state clearly to our colleagues opposite that we on this side are prepared to renegotiate, but unless we reach an agreement today—keeping in mind that under the Standing Orders of the House this motion must be disposed of in one day, the tenth sitting day before June 30—I do not have any choice but to introduce a motion indicating specific and definite hours. Still, we will remain flexible until the end of June, assuming of course that the Opposition is reasonable.

• (1520)

[*English*]

The Acting Speaker (Mr. Blaker): Questions and comments? Debate.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, at the outset I want to point out that when I rose to my feet after the Government House Leader announced the motion, I wanted to be sure to get on to debate and not have the motion go through as quickly as the Government wants all its Bills to go through—without any debate whatsoever—so I was willing to relinquish the floor to the Government House Leader so he might put the Government's position forward.

The motion to extend the hours comes under the new Provisional Standing Orders of the House and was adopted pursuant to a very important parliamentary committee which took a hard look at the way the House operates. It proposed a series of new Standing Orders designed to have the House operate in the way that Members of Parliament, not the Cabinet, not the Prime Minister's office and not the Privy Council office, want it to operate.

Knowing that this Standing Order was available and knowing that the Government's legislative program was stalled, I am surprised that we only received the text of the motion today at about ten minutes to three. This has caused some difficulty but we are prepared to deal with it.

The Government House Leader stated that the Government is prepared to negotiate, but, Mr. Speaker, we in this Party are not prepared to get into negotiations on the floor of the House. Surely the negotiations could take place daily between representatives of Ministers so that the business of the House could flow more smoothly than it has today. It would have been possible to circumvent the motion in the manner suggested by the New Democratic Party perhaps, but on this side we feel that would be contrary to the spirit of parliamentary reform and the way the House should operate.

What is contrary to the way the House should operate is for the Government to lay down the last Opposition day so that Canadair and other problems which might be examined when we are examining the estimates, which might be objected to, which might be brought forward, which might be exposed to the people, are cut off by the Government. What is contrary to the spirit of the way the House should operate is when Ministers make statements to the media instead of making them on motions in the House. I do not object to Ministers dealing with the media but surely they should deal with the House of Commons first. We feel that this is the place where major issues of the day should be debated. The Crow should have been debated here first and not through a series of press releases issued over the last two and half years.

I want to point out to the Government House Leader, to the New Democratic Party and to Canadians that we are here as the Opposition to do business. We are here to debate; we are here to look at Government Bills and there are some important Bills that we would like to see passed. Her Majesty's Loyal Opposition, the Progressive Conservative Party, wants the Fisheries Improvement Loans Act passed. We want that Act to come forward so that where improvements in the fishery in Canada are needed, they can go forward. We want Bill C-148, amendments to the Farm Improvement Loans Act (No. 2), brought forward for debate. Bill C-154 which provides for the extension of DREE is even more urgent. The Government House Leader knows how important this is to areas of the country that desperately need the benefits that flow from it. I should tell the Government House Leader unequivocally that we are not going to fall into the trap of having a new Bill coming forward from the Minister of Industry, Trade and Commerce which is designed to eliminate DREE so that the Government can porkbarrel money under that new program to Grit ridings only. The beauty of the DREE legislation is that it still covers some Conservative ridings and we feel that our people should get the money. So we are not going to fall into that trap.

There is no way that we are going to allow the RDIA Bill to be pushed through as it stands, especially when its employment factors are all out of whack. We desperately want the Canada Student Loans Act to be passed so that students who presently cannot find jobs due to the Liberal mismanagement of the economy can get the loans they need to continue their education.

On Monday the Government laid on the Order Paper the aboriginal rights resolution. Our caucus has discussed this and wants it to go ahead. We feel that it should be debated in the House and we want to see it go to committee.

Bill C-163, the Canadian Aviation Safety Board legislation, is very important. It results from the Dubin Commission report and will make it safer for people to fly.

We have indicated our displeasure with Bill C-152 to reorganize the Government but we have never said that we would stall it. A lot of things have to be improved. No one on this side of the House wants to see a senator made a parliamentary secretary. Good grief, Mr. Speaker, they do little enough as it is for the money they are paid. There is no need to give them a parliamentary secretary's salary as well. That would be an insult to the people of Canada. That part of the Bill will be debated hotly. There are enough parliamentary secretaries in the House who do not know what they are doing, but if they were in the Senate we could not even talk to them.

Bill C-95 deals with sports pools and we are sure that could be dealt with after a reasonable amount of debate.

Each of these items is important to large sectors of the Canadian population. We would be prepared to sit longer hours to make sure that they are dealt with. Frankly, Mr. Speaker, the spirit of the parliamentary reform committee is not always in evidence in the way the Government treats the Opposition. We feel that there should be some protection for the people of Canada who desperately want all that legislation.

On behalf of the Progressive Conservative Party, I move the following amendment to the motion of the Government House Leader:

> That the motion be amended by deleting the period after the word "business" and adding the following immediately thereafter:
>
> provided that the sitting hours of the House after 6 p.m. on any day up to and including June 30, 1983, are used to debate the Government's legislative program in the following order until such time as each is disposed of:

I make no comment on the order except to say I have seen it before today and I believe it is reasonable. The order is: Item No. 1, Bill C-147, an Act to amend the Fisheries Improvement Loans Act (No. 2), to which I referred earlier. Item No. 2, Bill C-148, an Act to amend the Farm Improvement Loans Act (No. 2). Item 3, Bill C-154, an Act to amend the Regional Development Incentives Act (No. 20). Item 4, Bill C-161, an Act to amend the Canada Student Loans Act (No. 2). Item 5, the aboriginal rights resolution standing on the Order Paper

under Government Notices of Motions in the name of the Minister of Justice (Mr. MacGuigan). Item 6, Bill C-63, an Act to establish the Canadian Aviation Safety Board and to amend certain Acts in consequence thereof. Item 7, Bill C-152, an Act respecting the organization of the Government of Canada—heaven only knows, it needs organization—and matters related or incidental thereto. And Item No. 8, Bill C-95, an Act to provide for government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act.

• (1530)

Mr. Pinard: There is no guarantee that you will pass them.

The Acting Speaker (Mr. Blaker): Order, please. The Chair acknowledges receipt of the proposed amendment. I would suggest that the Chair take it under consideration to determine whether or not it is in order, simply because this is the first application of an amendment under the new provisional rules. However, debate should continue as if the motion were in order until a ruling is handed down.

Mr. Lewis: Mr. Speaker, I appreciate that this is the first time this amendment has been proposed under the new Standing Orders. I would hope that the Chair would look at it in the spirit of the amendment. Also, if there are any technical changes which are required because of the wording of the Government House Leader's motion, if the Table could suggest those, I believe that would be satisfactory to us.

I am sure that the Chair will deal with the amendment in the spirit with which it is brought forward, and that is to deal with the Government's legislation—absolutely to deal with the Government's legislation—and to see if we do not proceed to pass those pieces of legislation. The Government knows where we stand on the Farm Improvement Loans Act.

Mr. Pinard: On a point of order, Mr. Speaker, I just realized that my hon. colleague wants to go on with his speech. I apologize for interrupting him, but since the Chair wants to look at the admissibility of the amendment, I would like an opportunity to argue that it is not admissible. If the Chair would like to hear me after the Hon. Member has finished his speech, fine. If the Chair would like to hear me now, I am willing to argue now.

The Acting Speaker (Mr. Blaker): The Chair recognizes that the Hon. President of the Privy Council does wish to address himself to this matter. I believe the most satisfactory way to proceed is to allow the Hon. Member for Simcoe North to complete his remarks. The Chair will then hear any and all Hon. Members who may wish to comment on whether or not the motion is admissible, if that is agreeable.

Mr. Benjamin: On a point of order, Mr. Speaker, why do the Hon. Members not all leave the room and have a meeting?

Mr. Lewis: Mr. Speaker, I cannot understand why the Government House Leader wants to debate the admissibility of an amendment which would further the operation of Government business. I cannot understand why he would want to debate it because we are trying to facilitate Government business, and that order of legislation, as I suggested earlier, without revealing any confidences, I believe is appropriate. I can assure the Government House Leader that we want to see that legislation go forward and we are doing what we are doing in an effort to assist the Government House Leader. That last comment might be subject to some discussion in my caucus.

I would like to point out that we come here to this House realizing that we are coming toward the end of the session. We appreciate that the work of an Hon. Member of Parliament is not only accomplished in this House but back in his or her riding. We know that valuable input is received by Members of Parliament back in their ridings. We realize that is a part of the job. We in this Party also realize that the job takes place in this House and in the ridings. It may be a little difficult for Hon. Members on the Government side to go back to their ridings, I can appreciate that. It may be that they will want to sit here through July and August rather than go back to their ridings, and I can appreciate that. It is probably pretty hot back in some of their ridings. However, we are prepared to come here and deal with Government business.

Quite frankly, Mr. Speaker, we feel that the extended hours, if we are to agree to them, must be handled in a way which treats all of the Government's business seriously and which looks after all of the concerns which those pieces of legislation address. For that reason I would hope that the Government would support our amendment, which is moved in order to facilitate Government business.

I appreciate the opportunity I have had to debate this effort of the Government to extend the hours. However, I put that caveat on it. We feel that the Government must come forward with clean hands on this motion to extend hours. By "coming forward with clean hands", I mean that we must have it treat its legislation in an orderly fashion and deal with the very important items of business which are presently before the House.

[*Translation*]

Mr. Pinard: Mr. Speaker, if my memory serves me well, section 2002 of the Civil Code provides that good faith must always be presumed and that it is up to the person who alleges bad faith to prove it. That is exactly what the Civil Code says, and I have no intention—I presume that the Hon. Member is acting in good faith, but—

[*English*]

The Hon. Member knows we had a meeting yesterday to discuss the extended hours. He knows that he went to his caucus this morning. He knows that we had a meeting today before Question Period to discuss the extended hours. Why has the Hon. Member waited until he delivers his speech now, without having the courtesy of giving me a copy of his amendment, while I have had the courtesy of giving him a copy of the main motion? Why did he not raise this in our meetings? Why play games?

Yes, we are willing to discuss House business. We are willing to discuss the order of business. However, why did he not make any suggestion on how to use the extended hours in our meeting? Never did he make any counter-proposal to the proposals I made. Why wait until we are on the floor of the House to try to negotiate this kind of business? The Hon. Member knows very well that under the Standing Orders it is up to the Government to establish the order of business. I will argue later on the admissibility of his amendment. However, I accept his good faith.

[*Translation*]

I presume that he is acting in good faith.

[*English*]

I would like the Hon. Member to convince me further by telling us why he did not raise this matter earlier when he had full opportunity to raise it with me.

Mr. Lewis: Mr. Speaker, I must express my shock and amazement. You will notice that I referred to the order of the proposals I put forward without suggesting where that order was first brought forward. I consider any discussions in meetings of Government House Leaders to be private and I am surprised that the Government House Leader has now revealed to the House of Commons what went on. I am sure that my friend, the Hon. Member for Hamilton Mountain (Mr. Deans), will share my surprise and concern that we now have our private meetings being brought forward in the House of Commons.

In reply to the question asked as to why the amendment was only received just now, I must say that I received the motion only at ten minutes to three o'clock with the wording on the back of an envelope. I do not feel at all embarrassed, Mr. Speaker, since the Government has had three months to prepare the motion. I do not feel at all embarrassed in giving the House Leader the amendment to the motion which I had to meld into the wording of the original motion at 25 minutes after three o'clock.

Mr. Pinard: Mr. Speaker, the alleged breaking of the secrecy of House Leaders' meetings is not the same as hypocrisy or bad faith. My hon. colleague knows very well that sometimes what is discussed in our meetings has to be made public—at least in our caucus, and therefore it is public. He knows very well that when I ask him to go to his caucus if he wishes and make the proposal of sitting until 11 o'clock at night, giving him the programs suggested to be dealt with until the end of June, that that cannot stay within our meetings. That information must go out. So I am not doing anything wrong. I am just asking him very honestly why did he not negotiate with me the substance of the amendment he has just proposed. He had two opportunities to do that, today and yesterday. I am just testing the good faith of my hon. colleague; I am not accusing him of doing anything wrong.

• (1540)

Mr. Lewis: I appreciate, Mr. Speaker that the Government House leader is not accusing me of doing anything wrong. I should tell you that yesterday obviously we had to consider the Government House Leader's suggestion. Today I am not so sure we were asked if there was an amendment. In any event, I feel we on this side are completely able to operate as the Opposition must in order to facilitate the business of the House. We have simply taken the Government's legislative program, spelled out how we are prepared to deal with it in the extended hours, and we say to the Government: support our motion and in those extended hours we will work on those Bills.

Mr. Collenette: Mr. Speaker, I requested a copy of the proposed amendment by the Hon. Member for Simcoe North (Mr. Lewis) a few moments ago. I was told by the Table that they were unable to give me a copy. I submit that if the Chair is going to entertain arguments as to the admissibility of that amendment, then surely all Members would be entitled to a copy.

The Acting Speaker (Mr. Blaker): The point is well taken. As is obvious, copies are being made and will be distributed immediately.

Mr. Lewis: My colleagues makes a very interesting point. If that concern is shown for the amendment, surely the same concern should be shown for the motion. We have not had a copy of the motion produced.

Mr. Pinard: Mr. Speaker, the Hon. Member is not telling the truth in so far as he is concerned.

Mr. Lewis: Careful.

Mr. Pinard: I saw that he had a copy of the motion before I moved it—

Mr. Lewis: I meant the House.

Mr. Pinard: Oh, he is still playing with words.

If you allow me, Mr. Speaker, I would like to illustrate very briefly why from my point of view the amendment proposed by the Hon. Member for Simcoe North is not in accordance with the Standing Orders. The motion deals with, as it must, merely the hours of sitting and not with the legislative program of the Government. Standing Order 9(1) reads:

> On the tenth sitting day preceding June 30 a motion to extend the hours of sitting to a specific hour during the last ten sitting days may be proposed, without notice, by any Member during Routine Proceedings.

I do not think this opens the door to any proposal, whether it is in the main motion or an amendment, concerning the business to be dealt with in those hours. This could be, of course, subject to a House order if a motion was moved under another Standing Order by a Minister of the Crown. But it is spelled out in my motion that I have moved this under Standing Order 9, and all that can be dealt with under that Standing Order is the extension of hours from now until the end of June and nothing else.

The spirit of my argument is also based on Standing Order 22(2), which says very clearly:

Government's Orders shall be called and considered in such sequence as the Government—

And not the Opposition.

—determines.

We want to keep our freedom to establish the order of business under the Standing Orders in our democratic system because we have the majority in this place and we are the Government. We want, respectfully, to keep the initiative. I think the motion by my hon. colleague goes against the Standing Orders and the spirit of the practices of this House.

I am not saying that I am not willing to negotiate with him. I indicated that earlier. His suggestions are negotiable. In my questions to him a few moments ago I made it clear that he never saw fit to raise this with me. There is still time to raise it with me for negotiation outside this House. We might come to an agreement. But certainly this does not render his amendment acceptable in my point of view.

Even if I oppose this amendment on the grounds of law, on the grounds of the Standing Orders and the practices and procedures of this place, that does not mean I do not want to negotiate with him and the Hon. Member for Hamilton Mountain (Mr. Deans) a reasonable time for debating specific measures. As a matter of fact, the Hon. Member and his colleague in the NDP submitted to their caucus suggestions I made in relation to different Bills on the Order Paper. I think this discussion should go on in a private meeting, not on the floor of the House, by surprise, using an amendment.

Mr. Lewis: Mr. Speaker, as to the acceptability of the motion, I am sure the Chair will appreciate that this is the first time this particular Standing Order has been brought into play. The Government House Leader is trying to say that because the Standing Order does not make any references to legislation we cannot include some specificity as to which way Government legislation is dealt with. I think that argument falls on its face. Just because it does not say that does not mean we are precluded form amending the motion in a way so as specifically to say how those extended hours are to be used. It is not precluded in the actual Standing Order.

The second point bears on the spirit of what we are trying to do, which is to say to the Government: this is your legislation. We did not put in that motion any of the many things we might have wanted, such as the property rights amendment which the Government refuses to bring forward. We took the Government's legislation and said we are prepared to deal with it in this way. Instead of rejecting it out of hand on a technicality, I am surprised the Government House Leader does not want to support our motion in the spirit of parliamentary reform and in an effort to have the Government's legislation dealt with.

I suggest to the Chair that Standing Order 9 does not preclude our spelling out by way of amendment how the extended hours are to be used. In breaking this new ground I am sure the Chair will want to take that into consideration. If we are to extend hours, surely there should be an amendment allowed to state exactly what the House wants to do in those hours. It is within the spirit of the rules of this place that we as the Official Opposition, in trying to suggest to the Government how we are prepared to use those extended hours, referred specifically to the Government House Leader's priority list in drafting the list of items we included in our amendment.

Mr. Deans: Mr. Speaker, in speaking to the point presently before us, I want to break it into two parts because I think it has to be dealt with as two separate matters.

The first point is whether or not it is appropriate to spell out in the motion to extend the sitting hours the purpose for which that extension is required. I would put through the Chair to the Government House Leader that he surely would not want that the Chair not be allowed to accept a motion which specifically refers to the business to be conducted during a period of extended hours. I am sure there would be times when the Government would want to move an extension for the express purpose of dealing with a particular piece of legislation and no other. So I urge that the Chair not accept the Government House Leader's suggestion that, by virtue of his specifying the business to be considered during the extension, that automatically makes the amendment out of order. If that amendment had come from the Government it would also have to be out of order, based simply on the fact that no reference is made to that in Standing Order 9.

• (1550)

I ask Your Honour to consider the implications of not permitting anyone to include, in any motion to extend the hours under Standing Order 9, any reference to particular legislation with which one wants to deal. I think that would be an error that the Government would come to regret. Perhaps the Government House Leader himself might concede that that kind of ruling would be most restrictive.

I then want to deal with the second matter as to whether it is appropriate for an Hon. Member of the Opposition to move an amendment to a motion put down by the Government to extend the sitting hours, the purpose of the amendment being to specify what should be dealt with during that period. Surely the only thing that an amendment to a motion cannot do is to alter the substance of the motion. It can add to the motion. It can in some instances subtract from the motion. However, it may not alter the substance.

I contend that the motion by the Opposition House Leader does not alter the substance. He is not suggesting for one minute that the extension of hours should not occur, although he may well want to vote against it. He is suggesting what can and should be considered during that period. It is not for the Government House Leader to determine whether that is acceptable or not, nor is it for the Chair. It is for the House of Commons to determine whether that is acceptable or not.

Those pieces of business proposed by the Opposition House Leader are clearly those which stand on the Notice Paper. I betray no confidence in saying that they are also pieces of business which the Government has already presented as its

objective in terms of what it would like to deal with between now and the end of June.

Mr. Pinard: Part of it.

Mr. Deans: Partly? The Government House Leader interjects "Part of it". He is dreaming in technicolor if he thinks he will get that and something else, I will have you know. However, with that out of way, I will say that the Opposition House Leader is not presenting anything new, is not presenting a demand that the Government introduce something it has not already introduced, is not suggesting that the Government deal with something it has not already indicated a willingness to deal with. He is simply saying that for the purpose of gaining acceptance of the extension of the hours, this business be called in that way, and then acceptance of the extension of the hours will be gained.

I suggest that it would therefore, in both instances, be ruled admissible as an amendment. It may well be disposed of by the House of Commons. Maybe the Government majority will overrule the wish of the Opposition that the amendment become part of the motion. However, I would urge that the Chair not overrule it. The Chair overrules too damn many things around here for my liking.

Some Hon. Members: Oh, oh!

Mr. Cousineau: Come on, now!

Mr. Deans: I just call them as I see them.

Therefore, I would urge upon the Chair that it see the matter as being two quite separate matters: first, whether it is indeed admissible to direct what should be done during the period of extended hours—and I do not think there is any question in anyone's mind that surely a motion containing reference to the subject matter would be acceptable; second, that it is the prerogative of the House to dispose of the amendment, since the amendment is not technically out of order. It is up to the Government either to accept it with its majority or reject it, as it sees fit.

Mr. Harquail: Point of order!

The Acting Speaker (Mr. Blaker): The Chair recognizes the Hon. Member for Simcoe North on a point of order.

Mr. Lewis: Mr. Speaker, it has come to my attention, after listening to the remarks of my friend, that the Chair might also wish to consider Standing Order 8 when considering the acceptability of the amendment, since it makes specific reference to an extension of hours, either through the dinner hour or through the evening, for certain purposes. Standing Order 8(4)(a) states:

> When the Speaker is in the chair, a Member may propose a motion, without notice, to continue a sitting through a lunch or dinner hour or beyond the ordinary hour of daily adjournment for the purpose of considering a specified item of business or a stage or stages thereof—

I submit to the Chair that this Standing Order might be helpful to the Chair in its consideration as to whether or not the amendment which we have submitted, since it refers to the extension of hours and specific items of business, might therefore be acceptable.

Mr. Pinard: Mr. Speaker, by quoting Standing Order 8(4)(a), the Hon. Member is making my point. It specifies the business to be dealt with, while Standing Order 9 merely deals with sitting hours and not with the kind of business to be conducted during those sitting hours. Standing Order 9 is a new Standing Order dealing with nothing else but the extension of the hours, not with the content of what is to be debated during those hours, while Standing Order 8(4)(a), as quoted by my colleague, specifies an extension of hours during lunch time or at the end of the day provided that the business to be dealt with is a specified item, and that is a different case. It is specified in the Standing Order. But in the present case there is no reference at all in Standing Order 9 to any specified business, and that is exactly my point.

Mr. Harquail: Mr. Speaker, the reason I wanted Your Honour to rule on my point of order at the close of the remarks of the House Leader of the New Democratic Party, the Hon. Member for Hamilton Mountain, was because of his remark that the Chair over-rules too many damn things around here.

Mr. Deans: That's my opinion.

Mr. Harquail: I am sure the Chair heard what he had to say. In my opinion, he is reflecting on the Chair. When he said that the Chair overrules too many damn things around here, I did not think that that was quite acceptable or conducive to good conduct in the House, to say the very least.

Mr. Deans: It may be accurate, however.

Mr. Harquail: However, I would think that we could at least have your views, Mr. Speaker, as to what your interpretation of his remark was when he said that—

Mr. Deans: Listen, don't give him your real opinion.

Mr. Harquail: —and whether in fact you interpret it as being a reflection on the Chair and, indeed, unacceptable conduct and terminology for the House, especially since he was addressing the Chair.

Mr. Deans: Not at all. Even the Speaker believes that.

The Acting Speaker (Mr. Blaker): If the House is ready, we will deal with the point of order on the matter raised by the Hon. Member for Restigouche (Mr. Harquail). There are times when it seems to me that observations made by Hon. Members are best left unremarked upon—

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Blaker): —and that might include the Chair as well.

Mr. Collenette: It's a real put down, a gentleman's put down.

Mr. Deans: Don't be silly, David.

The Acting Speaker (Mr. Blaker): Order, please. The essential argument made by the Hon. Member for Simcoe North is that this new Standing Order 9 ought to be interpreted as broadly as possible. However, if the Standing Order does not prohibit an amendment as to the type of Government business which must be done during an extension of hours, if the Standing Order is silent as to that aspect, then we ought to interpret the generality of our rules as meaning that it is not prohibited; and therein lies the difficulty. It would suggest that under Standing Order 9 Hon. Members other than those on the Government side could decide what the Government business is.

Mr. Deans: No, they can propose.

The Acting Speaker (Mr. Blaker): That, as a general principle, does not appear to be acceptable under our Standing Orders.

Second, I would also refer to the interpretation of Standing Order 9, which speaks in terms of extended hours. An amendment which would order the business of the House during the extended hours seems to me to be one which goes beyond the interpretation and meaning of Standing Order 22 and the matter of the Government having control over the business of the House.

However, it is the argument which was made by the Hon. Member for Hamilton Mountain which is most telling in one sense, and that is that if the Chair were to interpret Standing Order 9 in such a fashion as to limit the meaning of the Standing Order in the way proposed by the President of the Privy Council, the result would definitely mean that on another occasion when Standing Order 9 is used, if there is a proposal to put certain orders of Government business by the Government, then the Chair would have to be consistent and find that that kind of amendment would not be acceptable, or would not be admissible.

• (1600)

On the ground that the amendment goes beyond the scope of the motion and on the ground that this interpretation and ruling must be extended consistently, regardless of the source of any amendment at any time, the Chair finds that the amendment is out of order.

I do want to underline that that is not strictly an interpretation of Standing Order 9 as it stands but extends also to the general principles of admissibility of an amendment. I refer Hon. Members to Citation 437 of Beauchesne's Fifth Edition. Debate.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, it is nice to get on with this. Needless to say, I have been looking forward to it for days.

At the outset I want to say to the House that the list of legislation put forward by the House Leader of the Official Opposition, whether in that order or any other order, is acceptable as far as we are concerned. We are quite prepared to deal with and make every effort to pass all of that legislation and more between now and the end of June during the existing sittings of the House and the extended sittings of the House. I have already made that offer and I believe the Government House Leader would acknowledge that I have frequently made that offer to deal with most, if not all, of what is contained in the list that the House Leader for the Official Opposition proposed as an amendment.

Our Party's position is quite simple. We would be quite content to deal with the Fisheries Improvement Loans Act. We would be quite content to deal with and pass the Farm Improvement Loans Act amendment. We would be prepared to deal with the Regional Development Incentives Act. We would be prepared to deal with the Canada Student Loans Act post haste. We would be quite willing and eager to deal with the amendment to the Constitution of Canada if it were dealt with in an orderly and proper process. That amendment deals with aboriginal rights. We will make every effort, with some limited debate in the House, to deal with the resolution that directly deals with those matters to provide an opportunity for some committee work to be done on the amendment since it is, after all, an amendment to Canada's Constitution. We will be quite content to deal with that before the end of June.

At least in its early stages we will deal with the Canadian Aviation Safety Board Bill that has been proposed by the Government. We would be prepared to expedite dealing with that and sending it to committee for careful study. We are in no way opposed to proceeding with the organization of the Government of Canada legislation. We certainly do not have any particular worry about finding an appropriate way to begin to deal with the sports pool legislation that has been sitting on the Notice Paper for some time.

Therefore, Mr. Speaker, I am sure you will note the degree of co-operation that is just flowing from this side of the House to the Government. There is very little about which we disagree to such a level that we would stand in the way of the orderly dealing with those pieces of legislation.

I want to go even further than that. For instance, consider such a controversial matter as the new security legislation. We are quite content to have the subject matter of that dealt with by a committee. We understand the Government's desire to have public hearings on that subject; therefore we are prepared to deal with that.

We go even further. You would appreciate the amount of co-operation we have extended over the course of the last few months anyway, Mr. Speaker, but we would go even further and be prepared to deal with two-thirds of the proposals put forward for the transportation, shipment and handling of western grain contained in Bill C-155. We would be prepared to deal with the question of the upgrading of the railroads which we understand to be an absolutely necessary act on the part of Canada. We would be prepared to deal with the

disposition of the Dominion coal lands. We would be prepared to deal with all of those things and more between now and June 30.

However, we are not prepared to sell out the farmers of western Canada simply to expedite the vacation plans of Members of the House of Commons. I put that to you as clearly as I can. I have made every possible attempt to have the Government recognize the necessity of splitting Bill C-155 which is before us. On behalf of my caucus colleagues I have offered every co-operation in expediting this large and quite diverse range of topics which the Government wants to deal with in the form of legislation. But the Government is bound and determined that it will stuff a changed Crow rate down our throats. We are equally determined that it will not. That is where we are hung up.

The Government knows full well that if that change to the Crow rate receives second reading it will be stuck through the committee with the speed of light while Government Members nod "Aye, ready, aye, ready". It will be brought back to the House of Commons where the Government will bring in time allocation and jam it into law before one can blink an eye. We know that because we have worked with this Government before.

I suggest to the Conservatives not to be persuaded by all of the Government's promises about giving fair opportunity to the farmers of western Canada to have their say. Do not succumb to the charm of the Government and its House Leader. The Government is not only intent upon imposing this unnecessary hardship on the farmers whom we represent but, strange though it may seem, it is intent on doing that to the farmers whom the Conservatives also represent. It is time they understood that. It is time that the Conservative Members stood up firmly and said, "No, the farmers of western Canada cannot afford to take on that additional burden". It is time that the Conservatives joined in this battle and made it clear to the Government that the changes it is proposing to the Crow rate will make it virtually impossible for western grain farmers to enter into the world markets that are so vital to their survival. In fact, the proposed changes which the Government has put forward will work a terrible hardship on the western economy.

I say to the Conservative Members, the three who are here, that I have never understood how the Conservative Party could get on to its knees so quickly before the Government on this matter. As my colleague says, even their new Leader supports the changes to the Crow, I believe. It tells us something about what his priorities are.

I want to say to the Conservative Members that it is just not enough to say that they have to trust the Government to do things properly. That is not enough. The Liberal Party has never understood western Canada. It does not understand western Canada now. Therefore, how can they put the economy of Canada's Prairies at its mercy with a haste which is almost obscene?

• (1610)

The reason we are opposed to extending the hours is not that we do not want to work and deal with the legislation before us. It is because we do not want to facilitate the Government's desire to push through and make law immediately the Bill dealing with exorbitant increases to the Crow rate. We do not want to see it become law. We want to ensure that there is time for sober second thought across the land. We want to ensure that by holding the Bill in the House of Commons the farming community of the West, together with its allies, will have adequate time to reach Government Members when they return to their constituencies. When they get back into their constituencies, they will be hard to reach, but we want to ensure that there is time and an opportunity for western grain farmers and others concerned about the issue to reach Government Members, as they must also reach Tory Members, so that they will accept the fact that a third of the Bill about which we talk will add so much to the burden of costs of farmers in the west and that those changes should not and need not become law.

I know Mr. Speaker studies these matters. He knows as I know that every country against which we compete for the sale of grain in the world subsidizes their grain farmers. It was only months ago that we read that Argentina, as I recall, had eliminated the cost of transportation from grain-growing areas to the port. They eliminated them entirely in order to bring down the price of their product and undercut the Canadian market. When we look at that, when we look at the vast subsidies in the United States for transportation purposes, and when we look at Canada, which is about to add to the costs of farmers who are already having a tough enough time competing, it makes no sense. Because it makes no sense, it therefore must be stopped. Because it must be stopped, we must therefore use every effort available to stop it.

I ask Conservatives, for God's sake, to pluck up their courage, come aboard and join with us in trying to stop this juggernaut from running all over the country and destroying the very soul of the West. I just cannot believe it. Anyway, as I say, we do not want to see the extension of hours—and I supported the motion of the Opposition House Leader—for other than dealing with additional pieces of legislation which the Government brought forward.

Again I say to the Government, with some trepidation because I know what it means, that we will do everything in our power to stop the Crow. We will stop those changes because they are wrong. We will do whatever we must to ensure that they never become law. If it means sitting through July, it means sitting through July. If it means sitting through August, it means sitting through August. If it means sitting until midnight, it means sitting until midnight. If it means holding Government Members here until September, October or November, until farmers have been able to convince them how wrong they are, that is what it means. I assure the House that it will mean that every Liberal will have to be here, every one of them, in order to ensure that the Government gets what it wants, its ill-conceived objectives.

I do not think the Government understands the depth of the opposition to this legislation. We can and we will rebuild the railroads. It should be done, not only to move grain to the ports, but to move coal from the coal mines or coal fields of British Columbia to central Canada so that unemployed coal miners will once again be working and we will not have to buy from Ohio and Pennsylvania that which we have in abundance and in better quality in our own country. We need to rebuild the railroads for those purposes.

An Hon. Member: And cut back on the amount of acid rain.

Mr. Deans: As my colleague says, in the process we would cut back on the amount of acid rain from which we suffer because of the much lower sulphur content in British Columbia coal. It is about .02 or something, as against a range of from 2 per cent to 8 per cent in the coal from Ohio and Pennsylvania.

We are really saying that the rebuilding of the railroads has a two-way benefit. There is a benefit going west to the ports and coming east. We should get on with it, but we must not undermine the economic viability of western and prairie Canada in the process. We cannot ask prairie farmers to take on a burden which they frankly cannot afford. We cannot ask them to take on more now. The Hon. Member for Bow River (Mr. Taylor) knows full well the plight of farmers. The markets they are hoping to gain they will not get, if the price per bushel rises in accordance with the new freight rate arrangements proposed by the Government. They are already in a tough squeeze with every other Government in the world subsidizing their grain farmers.

We just cannot afford to let this Bill pass. We cannot afford to let the extended hours go without objection, without attempting to stop it. We cannot afford to let the Bill go. In other words, I am saying that the battle continues, and the battle would be much easier if the Tories would join us, quite frankly. If the Conservatives would join with us in this battle, it would be an easier battle to win. Combined they cannot defeat us.

Mr. Lewis: We are fussy.

Mr. Deans: If every last one of us on this side of the House, all 130-odd of us, decide to stop this in the interests of Canada, then we can stop it. We can all stop it together. But if the Tories bail out and allow them to have their way, then they do so at the expense of the viability of the grain farmers of the West and ultimately at the expense of the economy of the West.

I heard the Opposition House Leader say that he is fussy. I had not noticed that before; I will take his word for it. We are prepared to join forces with the Conservatives, despicable though we find them from time to time. We are prepared to join forces with them on a matter as important as this one. We are prepared to find common ground on a matter as important as this one. We are prepared to suffer that association over a short period of time on a matter as important as this one.

Therefore we suggest to Conservatives to pluck up courage and recognize the harm the Government intends for the people we collectively represent. We suggest the Conservative Party decide once and for all that political expediency is no substitute for good judgment and that good judgment in this case is that whatever must be done to stop these proposed changes must be done by us collectively. Whatever their right-wing ideology demands of them, they must remember that farmers are independent souls, working every day with a lot at stake. They will not find a market for the market they will lose if we allow the Government to raise their costs as it is proposing. I ask them to come with us and fight together in July, August and September to ensure that it does not do this.

Mr. Lewis: Mr. Speaker, others in this place may say that the Hon. Member for Hamilton Mountain is lying when he suggests that the PCs are not opposed to the Crow. The people of Canada may suggest that the Hon. Member for Hamilton Moutain is lying when he suggests that the Conservatives are not opposed to the Crow. But I am not prepared to say that the Hon. Member for Hamilton Mountain is lying when he states that the Progressive Conservatives are not opposed to the Crow. I am not prepared to do that. The people of Canada will know it, other Members of the House will know it, but I am not prepared to say that he is lying.

An Hon. Member: Come on!

Mr. Lewis: No, I am not prepared to say that.

• (1620)

I do have a question. The Hon. Member for Hamilton Mountain suggested that we join in a great show with the NDP. In view of the fact that last evening the Hon. Member for Hamilton Mountain voted against spending money on many important social items already approved in the budget, how can we count on his knowing what he is doing when it comes time to vote?

Mr. Deans: Mr. Speaker, I am not going to enter into the low level of debate that the questioner has entered into. Get out of the gutter.

The fact is that the recently elected Leader of the Conservative Party announced not many days ago that he was in favour of changes to the Crow rate. He said, however, that he thought it was being rushed through too quickly. I can only assume that their newly elected Leader speaks for the Conservative Party. For the Hon. Member to infer that I was not telling the truth is objectionable, but expected from him. One would expect him to say something like that in order to deflect those who are watching and listening from the real truth. The real truth is that the Tories sold out on these proposed changes some time ago. Their only interest is in saving face. Our interest is in saving farmers. If you do not believe what I say about the Leader of the Tory Party, read what he said.

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, I would like to direct a question to the Hon. Member. We are also anxious to know the position and attitude of the Progressive Conservative Government on that important legislation which aims at changing the transportation system in Western Canada.

My question therefore is to the Hon. Member, and I am in total agreement with him concerning what he said about how important it would be for other farm organizations to be heard in committee. I do not understand why there is so much opposition to referring Bill C-155, the grain transportation legislation, to the Standing Committee on Transport, so that if other farm organizations believe they have already expressed their views, they may over the summer, when there is no urgent work to be done, appear before the Transport Committee and make their submissions for and against, and also suggest potential improvements.

I therefore have difficulty understanding the NDP Members' attitude in their opposition to referring the Bill to the Committee on Transport, being the good democrats that they are, in order that interested groups may appear during the summer season before that Committee to express their views and discuss the whole question, since there will be no urgent work during that period, because during the fall, when proceedings would be very urgent, they would not be free to attend and express their views. This is a very liberal approach, Mr. Speaker, that is the referring of that legislation to the Committee on Transport in order that those groups may express their views during the summer, a relatively quiet period, on matters pertaining to agriculture.

[*English*]

Mr. Deans: Mr. Speaker, I will be very brief. In most circumstances I would find the Hon. Member's argument acceptable, but there is one point on which he fails. He knows that the farmers of western Canada are in the fields. They will be in their fields between now and the end of October almost continuously. It is not possible for them to take the time from their harvesting or other work that must be done in order to come to Ottawa or, for that matter, to be heard around the country. The difficulty with passing it now is that the hearings will be conducted during the time when the farmers do not have access to the hearing process.

Let me put an alternative. Suppose we stop second reading right now and refer the subject matter to a 20-member special committee which will be sent out across the country and which will report back November 1. That would give the farmers an opportunity to speak and be heard on these important matters. They could offer some input into the final stage of the matter. Would that be acceptable?

Mr. Pinard: Mr. Speaker, then the farmer would not be working in the summer because there would be a special committee.

Mr. Deans: I said if the subject matter was referred now for reporting back later, let us say November 1, it would allow adequate time for the farmers to be heard after they completed the work that must be done on their farms. If that were to be done, we might be prepared to consider such a proposal.

Mr. Towers: Mr. Speaker, will the House Leader of the New Democratic Party give us the position that his Party has taken with regard to the Progressive Conservative proposal of freedom of choice?

Mr. Deans: I am sorry, Mr. Speaker, I wonder if the Hon. Member would be kind enough to repeat his question. There is something in it that I missed; I did not quite catch it.

Mr. Towers: Mr. Speaker, the House Leader of the New Democratic Party went to some length establishing the problems in the movement of grain within Canada. The Conservative Party has made a proposal. We call it the "freedom of choice". Will the House Leader of the NDP tell us the NDP position, either for or against that proposal?

Mr. Deans: Mr. Speaker, the proposal is so vague that in the first instance one would have to be opposed to it, unless it were fleshed out significantly and shown to be workable. At the moment it appears to be unworkable because no one really understands it.

Mr. Towers: Mr. Speaker, the statement of the NDP House Leader proves exactly what I thought. He does not know what he is talking about. The proposal put forward by our Party is understood by the farmers in western Canada, even though the NDP House Leader does not understand it. I ask him to take that question to the farmers and see what they want his Party to do. Evidently he does not know. He is not aware of what freedom of choice means.

Mr. Deans: Mr. Speaker, I will be very brief. I am fully aware of what the PC Party said with regard to freedom of choice. What I said is that nobody understands how it would work.

Mr. Roger Simmons (Burin-St. George's): Mr. Speaker—

Mr. Nystrom: En français!

Mr. Simmons: *Mon ami intime*, we have been here a very long time, almost a year. We have done a lot of work. A lot has been done for the people of Canada since we came here last fall.

Mr. Blaikie: Don't straddle the issue.

Mr. Simmons: My good friend for Winnipeg-Birds Hill (Mr. Blaikie) talks about straddling the issue. I had decided a moment ago not to take up the rather insightful question that my friend from Red Deer (Mr. Towers) put about where the NDP stands on the freedom of choice issue. He must know the answer to that question. He is a very informed man. The answer is that they are neither for it nor against it. They are both. They have what is known in the business as the "picket-

fence" position, as they have on so many issues. Picket fences have a way of doing painful things to people, as the NDP are finding out on the Crow issue, and I will come back to that. I thought I would just give that little comment to my friend from Winnipeg-Birds Hill.

• (1630)

They should be very careful about the Crow issue but, as I say, I will come back to that. Before I do though, let me begin, in my usual non-partisan fashion, to address this clearly non-partisan issue. We have been plugging away here for almost a year on behalf of the constituents of Burin-St. George's and the other 281 constituencies across Canada who have sent us here to do a job. I believe that all of us as Members of Parliament can take some satisfaction from the amount and the quality of the work that has been done since we came here last fall. But all of us, I believe, are willing to admit that we are anxious to get out of here. Speaking for myself, I am anxious to get out of here. With the provisions that have been made by the parliamentary reform committee of which I am pleased to have been a member, provisions which have been adopted by the House, it is conceivable that we will be out of here on or about June 30.

But being the work horses we are, led by the chief workhorse, the President of the Privy Council (Mr. Pinard), we want to put in some extra effort before we go. We want to find a little extra time, another five hours a day when we would normally be out attending dinner parties in the case of some Members or committee meetings in the case of others. We want to work during that period from six o'clock to 11 o'clock each night. That is what we are asking Parliament to allow us to do. We are asking Parliament to allow us to do some more good work on behalf of the Canadian people.

I ask you, Mr. Speaker, if there is anything particularly sinister or suspicious about that kind of request. This proposal should not have had to come before the House. We should not be spending two hours discussing it, although the rules do provide for that. There is nothing illegitimate about what we are doing, but there is something a bit uncomely and a bit unnecessary about it because we should have made a gentleman's agreement to proceed along the lines provided for in this particular motion. But we do not have that agreement and we are here begging the House to allow us to do even more work between now and the end of June. That is the only intent of the motion put under new Standing Order 9 by my friend, the President of the Privy Council.

I am sure, Mr. Speaker, that you listened with absolutely unbridled interest to the Hon. Member for Simcoe North (Mr. Lewis) who assured the House that he and his colleagues wanted to facilitate the consideration of legislation. Having said that, in the very next sentence he came up with an amendment that thankfully was not accepted by the Chair, but nevertheless he proposed an amendment that would have cluttered up and made clumsy the very work that we are trying to achieve here. In the spirit of Standing Order 9, we want to make available to the House some additional time in which to dispose of its business. That is the spirit of that provision of the Standing Orders, and yet the hon. gentleman from Simcoe North brought in an amendment which would order very inflexibly the business we could deal with. That amendment has gone the way it should have gone because it was certainly a peevish, petty, shoddy and mischievous bit of work that would have had the effect of making the accomplishment of the work of the House pretty inflexible and unwieldy.

After all, Mr. Speaker, there are days when the Minister who is sponsoring a particular Bill is not here because he is out in the country performing his other responsibilities as Minister. Alternately, the Opposition spokesperson on a particular matter, say the Opposition spokesperson for fisheries or farm matters, may not be able to be present on the day when we would want to call that particular Bill if the order had been dictated by amendment. In courtesy to him or her, would it not be fair to try to accommodate the schedule of the House to his or particular schedule, given that he or she has been designated by the Party to speak on behalf of the Party on those matters?

Clearly the intent of Standing Order 9 under which this motion has been put is to permit the House to find additional time in which to do its business. Having said that, it is a well established practice and a long standing tradition that it is the Government that calls the order of business. The spirit of the recommendation brought forward by the parliamentary reform committee was to give the Government some flexibility in meeting the June 30 deadline. Last year we were here until some time in August, I believe, and as a group we told ourselves that that served nobody's purpose, not our own purpose nor the purpose of our constituents. It was certainly not fair to our families who had made schedules for the summer, the only time when the children of many Members of Parliament have time off from their regular school classes. So last fall we told ourselves that the time had come to regularize the schedule of the House of Commons. The committee on parliamentary reform recommended that we ought to aim for shutting this place down at the end of June. That is still our aim and it is now embodied in Standing Orders.

To help the Government and the House meet that deadline, we have before us a motion which would give us just a little more flexibility to facilitate the completion of some of the business before the House. It is not a particularly complicated motion. The motion only asks that we all agree to spend a little extra time here.

The Hon. Member for Hamilton Mountain (Mr. Deans) seeks to make the motion complicated. He seeks to append to it caveats and conditions and prerequisites. In effect, he says, "We will agree to the extra time on the condition that you do not do anything that we do not like." That is basically what he said. "We will agree to the extra time, provided you dance to our tune, provided you do it our way." Well, I say to him that in February of 1980, the people of Canada addressed that problem. At that time, the people of Canada were asked in a general election whether the NDP or the Tories or the Liberals ought to form the Government and be the team that would call

the order of business of the House. That question was decided. The Hon. Member may not realize that. He may not accept it very readily, but I say to him that it was decided three and a half years ago.

The Hon. Member should stop living in the past. He should recognize the realities that are applicable today, June 1983, when we are here in the Chamber with a number of pieces of legislation before us that, if passed, would be of benefit to various sectors across the country, be they the farming community, the fishing community, people who are waiting for changes in the income tax legislation and other sectors that will be affected by various pieces of legislation. To facilitate the interests of those people, we would like to get on with the work of the House and do as much of it as possible before we shut the place down for the summer.

I was also intrigued by the words used by the Hon. Member for Hamilton Mountain when he spoke about what the priority of concern ought to be, whether we ought to be concerned about, as he put it, the vacation plans of Members of Parliament. Well, I will be the first one to admit that I would like to spend a weekend or two with my family between now and September when we come back to this place again.

Mr. Benjamin: Why not resign then?

Mr. Simmons: I say to my good friend, the Hon. Member for Regina West (Mr. Benjamin), that I would like to have some time to do some of the other work which I have been elected to do. Without being overly candid, I regard being here as a vacation. I regard this place as the place I come to get a little bit of rest. The real work, Mr. Speaker, is out there in the constituency. I want to get back there and be brought up to date on the concerns and views of the people who live in the 135 communities which I represent, communities stretched along 1,500 miles of coastline. I can only get to some of those communities by water or by air. Some of these communities mean a two and a half day trip. For that reason I cannot get to them on weekends. I have not been in some of them since last summer, and if I do not get to them this summer I will not have another opportunity until the summer of 1984. I have good reason to want this place to shut down so that I can go out and discharge some of my other responsibilities. It is useless, it is hopeless, it is hypocritical to come here and tell the House and the people of Canada what my constituents believe and stand for if I have not had the opportunity to touch base with them. I know what the people in Pettiforte, South East Bight, or Paradise—Paradise is in my riding, there is no doubt about that—

• (1640)

Mr. Blaikie: They need some comfort.

Mr. Simmons: There is Little Paradise and Great Paradise in my riding. That should come as no surprise to anyone in the Chamber. In speaking for them and the people of McCallum, François or Grey River, I want to be able to represent their up to date views. To do that I must hit the road pretty soon. I have to hope that this place closes down so I can go back to my first love, the constituents who sent me here.

Mr. Benjamin: You have permission; go.

Mr. Simmons: My good friend, the Hon. Member for Hamilton Mountain talks about stuffing the Crow Bill down people's throats. That is colourful, descriptive language, but it is not an awful misrepresentation of what happens in the House. Does he not understand or does he choose to misrepresent the process? That process admits that there will be legislation which all Members cannot necessarily support. No one has suggested that legislation must have the unanimous backing of every Member. This is an adversary forum and we are going to find ourselves on different sides of an issue, sometimes in the most vociferous fashion. There will be issues that I oppose and issues that I endorse, and that is the nature of this House. It is also the nature of the House that we have a way of settling scores, of settling issues, of dealing with business, and that is by taking votes. Before we come to the votes there is a well documented procedure in the Standing Orders which allows debate to take place in an orderly fashion.

The Standing Orders provide that in certain circumstances closure shall be introduced. At some point, in the wisdom of those who have the prerogative to introduce the motion, over the years it has been deemed by the House—which gives sanction to the Standing Orders—that under certain circumstances time allocation can be introduced. It has been introduced by this Government and it was introduced by the then Member for Nepean-Carleton (Mr. Baker) when he was Government House Leader in the fall of 1979. The rules provide for it.

If there are Members in the House who oppose measures, be it the Crow Bill or any other legislation, they have the same protection in the House as any other Member. I invite the Hon. Member for Hamilton Mountain in particular, and his colleagues in the New Democratic Party, to have the courage to play it by the rules. They need have no fear that their point of view will be trampled on. Indeed, if that view is not as well known across the country as it should be, that is because they have spent too much of the last month playing parliamentary games when they should have been articulating their position.

I know the position of the Liberal Party on the Crow issue and I know the position of the Tory Party on the Crow issue but I do not know the position of the NDP. That Party has failed the farmers of Canada in articulating that position. They have been too caught up playing delaying games. I recognize that the socialists, the NDP, may have good reason, and perhaps political reason, to look for a way to save their hide, to prevent the slide into oblivion.

Mr. Blaikie: You are not exactly on an all-time high yourself.

Mr. Simmons: They are batting on the wrong wicket if they are looking for a way to save their hides in western Canada. I implore them to stop using those scare tactics and to allow the Bill to go before the committee where it can be scrutinized on

its merits and where people with an interest in the legislation can have their say. We are asking that it go to committee where people who want to address it have more flexibility than they have in this Chamber.

I have heard that farmers are busy between now and October and thank God there are people in the country who are working so enthusiastically. If the changes in the Crow proposal are as earth-shaking as the NDP would have us believe, I put it to you that the farmers will find time to do their work in the fields and to send representatives to put their case before the committee.

I was touched at the appeal of the Hon. Member for Hamilton Mountain to the Tories, as I am sure the Hon. Member for Bow River (Mr. Taylor) was, when he said, "We are prepared to join with the Conservatives—come with us". I ask my good friend from Bow River how he could not have walked down and joined hands. I would warn him before he jumps at the invitation to make sure he understands the implications. It is an invitation to return to 1910, to 1915 or to 1920.

We recognize that the Crow is a very emotional issue. That alone is not an excuse to treat it as a sacred cow, however. It is all the more reason to muster courage to do the right thing, and that is, not to walk away or hide our heads in the sand as the Hon. Member for Hamilton Mountain wants. That is why I am glad the Hon. Member for Bow River has kept his head, as he usually does. I hope very few will accept the invitation from the Hon. Member for Hamilton Mountain to return to 1910. How does he reconcile his position on the Crow issue with the interests of his constituents who stand to gain from the changes proposed in the legislation?

Mr. McCain: Mr. Speaker, would the enthusiastic Member who just sat down be willing to support the concept of reasoned amendment to the legislation to improve it for the farmers for whom he pleaded so hard?

Mr. Simmons: Mr. Speaker, I would. That is why my colleagues and I are so anxious to get the Bill to committee. One of the reasons for committee stage is to allow Members to scrutinize legislation at close range in a more informal setting and determine whether it can be improved. If the Hon. Member has proposals that would legitimately improve it, I will support his amendment.

• (1650)

Mr. McCain: Mr. Speaker, would the Hon. Member then persuade his caucus to persuade the Minister, in turn, to accept the amendments which have the support of different Parties of this House so that the matter could then be settled in reason instead of in petulance as at present?

Mr. Simmons: Mr. Speaker, I would take exception to the last word or two of the Hon. Member's remarks about there being petulance. There has been some heated debate because it is a very emotional issue. However, once we get it beyond second reading, we would like to get it into committee where we can look at those amendments in the light of day and see if they will do all the good things which the Hon. Member suggests they will do. Mr. Speaker, no one has said to the Hon. Member for Carleton-Charlotte (Mr. McCain) that we will not accept any amendments, and I challenge him to say otherwise. What we have said consistently is that we should bring it to committee and in committee Hon. Members will have the same freedom they always have in committee to propose amendments and then have them dealt with.

Mr. Benjamin: Mr. Speaker, I listened to the Hon. Member for Burin-St. George's (Mr. Simmons) crying and complaining about how he wants to get out of here. It seems to me his constituents are paying their income taxes for him to be here working, no matter how long Parliament has to sit. I would like to ask the hon. gentleman if he would oppose using every method possible under the rules of the House, whether or not he is on the Government side of the House, which would cost the people in his Province $600 million more in freight charges between now and the end of this decade? Would the Hon. Member agree that he also would fight every way he could to prevent any kind of legislation which would do that to the people in his Province?

Mr. Simmons: Mr. Speaker, first of all, I would like to address myself to the issue of whether or not the presumption in the question is accurate. It is a whole debate in itself as to whether or not that figure of $600 million is anywhere near reality. I have already answered the other part of his question when I appealed to the New Democratic Party to stop being petulant, stop using delay tactics, and just use everything within the rules to get its views across. That is why we have rules. That is why we have the various Standing Orders, including the one we are dealing with today, for that matter. I have invited them to do this, but I do not believe they need an invitation from me because they have privileges in this House which allow them to use all the rules within the Standing Orders. However, Mr. Speaker, I made the point earlier that it does not allow that Party to be parliamentary terrorists. That is what the Hon. Member for Hamilton Mountain gave notice of today when he indicated he was going to obstruct. I say that his constituents, including the steel workers, who will benefit from changes in the Crow legislation, did not send him here to obstruct. They sent him here to fight vociferously within the rules. I will always defend to the death his right to do that, within the rules. There will be no argument from me on that issue.

Mr. Benjamin: Mr. Speaker, I would like to ask the Hon. Member if he has read the response of the Minister of Transport (Mr. Pepin) to questions on the Order Paper that to date he has received over 37,000 letters and telegrams from people in western Canada asking for retention of the statutory grain rates. They were from all over Canada, for that matter, but most of them were from western Canada. Only 69 of these persons were against the retention of the statutory grain rate. Also there are over 50,000 signatures on petitions of various

kinds, which still have not all been presented to Parliament, in favour of retention of the statutory grain rate. Does the Hon. Member not agree that that means that the Government should accept what our House Leader, the Hon. Member for Hamilton Mountain just proposed a few moments ago, that the subject matter of this Bill be referred to a special committee empowered to travel from place to place and hear witnesses between now and the first of October, November or December, or whatever, so that the Government can then deal with the Bill, having received this information from the grain producers of western Canada and a lot of other people, including the steel workers in Hamilton?

Mr. Simmons: Mr. Speaker, I did not hear the number of people who had made representations.

Mr. Benjamin: Thirty-seven thousand.

Mr. Simmons: If you subtract 37,000 from 25 million you will find that a substantial number have not written in their views on either side of the issue. If one subtracts from the 37,000 the number who have been stirred up by the scare tactics of the New Democratic Party, the number will be substantially less than 37,000.

Finally, Mr. Speaker, to respond to the question whether I read the response in *Hansard* by the Minister of Transport (Mr. Pepin), no, I must admit that is one of the few responses in *Hansard* which I have not yet memorized.

Mr. Blaikie: Mr. Speaker, I have a question for the Hon. Member for Burin-St. George's (Mr. Simmons) on two points. He mentioned the June 30 adjournment date which is provided for in the new rules. I was wondering whether he would be willing to admit that there is no danger to the June 30 adjournment. The only way that we could sit beyond June 30 is if the Government makes us sit beyond June 30, failing to respect the new rules and failing to strike a compromise between itself and the Opposition on the various proposals we have made with regard to the Bill to change the Crow rate. It is not the Opposition which can make this Parliament sit beyond June 30. It is only the Government which can do that by hypothetically recalling Parliament after June 30.

The Hon. Member commented on the invitation of our House Leader, the Hon. Member for Hamilton Mountain (Mr. Deans), to the Hon. Member for Bow River (Mr. Taylor), the Assistant House Leader of the Conservative Party, to "Come with us. Take the hard way. Oppose the Government on this matter". The Hon. Member commented on the fact that the Hon. Member for Bow River did not respond to that invitation. I feel that the fact that the invitation was not responded to, and the cosy language which the Hon. Member for Burin-St. George's used when he was describing the Hon. Member for Bow River, is further evidence of the fact that what we see before us here today is a deal between the Progressive Conservative Opposition and the Liberal Government to get the changes to the Crow rate into committee and, on the part of the Conservative Party, to get this Crow rate changed because it fully expects it will be the Government come the next election. That may or may not be true. However, that Party operates on the assumption it will be the Government, and it wants this thing out of the way because it responds to the same corporate and economic pressures as the Liberal Party from the CPR and various other large business interests, and it knows that if the Liberals do not get it done before the next election, it will have to do it because it takes orders from the same people.

That is why there is this cosy relationship here, Mr. Speaker, between the Liberal Government and the Progressive Conservative Opposition. The Conservative Party wants this thing out of the way so it will not have to do it itself. It is only the NDP which would stand up to those interests, only the NDP which would be able to bring in policies—

Some Hon. Members: Order. Order.

Mr. Blaikie: —which would see the Crow rate maintained—

An Hon. Member: Sit down.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Corbin): Order.

Mr. Kilgour: Mr. Speaker, I rise on a point of order. That was a slanderous comment which was made by the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie). I would ask him to withdraw it.

The Acting Speaker (Mr. Corbin): That, in the Chair's opinion, is debate. The time provided for questions and comments has elapsed.

Mr. Blaikie: On a point of order, Mr. Speaker, as ever, the truth hurts.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Corbin): Order, please. The Chair informed the House that the time for questions and comments had elapsed. However, is the House agreeable to allowing the Hon. Member for Burin-St. George's (Mr. Simmons) to respond to the previous comment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Corbin): It is not agreed. Debate.

Mr. Simmons: Mr. Speaker, I rise on a point of order. I regard the failure of the House to permit me to respond as a violation of the provision of the question and answer period. How can there be, Mr. Speaker, a question and answer period, if the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) is allowed to filibuster in terms of time on the question and I am not permitted time to answer? It is assumed that I ought to have some brief period to answer the question.

Some Hon. Members: Hear, hear!

Mr. Simmons: Is he afraid of the answer?

• (1700)

The Acting Speaker (Mr. Corbin): Order, please. The Chair would like to deal first of all with the point raised by the Hon. Member for Burin-St. George's (Mr. Simmons). The Chair has no choice but to apply the Standing Orders and provisional rules. The Chair informed the House that the time had elapsed. However, the Chair is patient and it sought unanimous consent, but the House did not grant unanimous consent and the Chair has to live with that decision. We must now proceed to debate and the Chair has recognized the Hon. Member for Bow River (Mr. Taylor) in debate. However, I did see the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) rising on another point of order.

Mr. Blaikie: On the same point of order, Mr. Speaker, I want to make it clear that I did not stand in the way of the Hon. Member responding to the question.

Mr. Ethier: Your colleague said no.

Mr. Blaikie: I think the Hon. Member was wrong when he suggested—

The Acting Speaker (Mr. Corbin): That is debate. The Hon. Member for Bow River.

Mr. Gordon Taylor (Bow River): Mr. Speaker, the first point I would like to make is that I hope the Hon. Member for Burin-St. George's (Mr. Simmons) knows more about fishing for cod than he does about farming in western Canada. I hope the Hon. Member for Winnipeg-Birds Hill would just stick to the facts a little instead of misrepresenting them so badly.

Mr. Blaikie: I did. I brought out the ultimate fact of what is going on here.

Mr. Taylor: Those people want me to come and join them. I didn't think they cared.

Mr. Deans: Believe me.

Mr. Taylor: Mr. Speaker, it will be a long, long time, with a green moon in the sky, before I join the socialists. I am a free enterpriser.

Some Hon. Members: Hear, hear!

Mr. Taylor: I believe in free enterprise. It is what made this country and will continue to make this country. The sooner we can get back to free enterprise principles without the shackles the Liberals put on it, the faster we will be on our way.

Some Hon. Members: Hear, hear!

Mr. Taylor: Mr. Speaker, the Hon. Member for Burin-St. George's was speaking so lovingly about more hours. If I spent as few hours in the House as he does I would not mind extended hours either.

Some Hon. Members: Oh, oh!

Mr. Taylor: I say to the Government House Leader that when the extended hours go into effect, if they do, I hope we will have a Government quorum in the House. If I was a betting man I would wager now that between six and eight there will be only a handful of Liberals here. There is a handful of faithfuls who stay and go without their dinner. There are not too many on this side of the House who stay and go without dinner either.

I would like to make a suggestion to the Government House Leader. I do not mind working overtime and I will not be extending my hours—

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Burin-St. George's on a point of order.

Mr. Simmons: Mr. Speaker, my bosom pal from Bow River now misleads the House when he says that he is here more than I. He knows that in the last week alone he and I have each given four or five speeches. He knows that I am here at least as much as he is even though I am not paid as a Deputy Whip, as he is.

Some Hon. Members: Hear, hear!

Mr. Taylor: The Hon. Member is partly right, except that after he makes a speech he suddenly disappears. I stay after I make my speech and listen to the others.

Some Hon. Members: Hear, hear!

Mr. Taylor: However, I do not want to spend my time arguing that point. I would like to make a suggestion to the Government House Leader. I think we would do better work if we stopped between six and seven o'clock, and Members went and had a bit of dinner and then came back and worked until 11 or 11.30. I think that would be a good, common-sense thing to do. Otherwise it simply means that some will stay here without having their dinner. I do not mind doing that if it is necessary, but I think we would do better work if we stopped at six o'clock and had 45 minutes or an hour for dinner and then came back until 11 or 11.30. It is just a suggestion, I am not going to make any motion, but I think it would be good common sense.

Some Hon. Members: Leader!

Mr. Pinard: Mr. Speaker, if the Hon. Member's House Leader had made that suggestion to me, I would have considered it very seriously.

Some Hon. Members: Hear, hear!

Mr. Taylor: Mr. Speaker, the extended hours are not really going to mean anything to me except that I will spend more hours in this place than I do now. I come here at eight o'clock in the morning and I go home at 10.30 or 11 o'clock at night. I still do not get all my work done because I spend a lot of hours in the House and there is a lot of office work to do, as every Hon. Member knows. I am not saying that I do this and others do not, not at all. I think every Hon. Member wants to get the

work of the House done. I found when I was in Government for 20 years or more—I know what it is like in Government—that you have to get legislation through. We want to do that. I am not going to vote against the extended hours. We put it in the rules and it is logical.

I am not going to vote against the fact that the Government decides what business comes in. I know the Government has that prerogative and it should carry it out.

Mr. Pinard: Hear, hear!

Mr. Taylor: I think we might be able to make some suggestions as to how it might be done better, but that perhaps is a matter of opinion.

I now want to deal with one or two other things which were said this afternoon. The Hon. Member for Hamilton Mountain (Mr. Deans) said something that I just cannot go along with, particularly when he referred to the new Leader of the Progressive Conservative Party, who is a fine man. As bad as my hearing might be, I heard my Leader say that the Crow was one of the most important things to ever come before this House. It is going to have such an impact on western Canada that it has to be dealt with thoroughly. He did not say the things the Hon. Member attributed to him. I deny those things categorically. They are not right, and I hope the Hon. Member will correct that statement at some time in the future.

Mr. Deans: What statement?

Mr. Taylor: He will be here before too long and will speak for himself, but when he is not here I cannot let a statement like that go by.

Mr. Young: A point of order, Mr. Speaker. I just want to bring to the Hon. Member's attention that the Hon. Member for Hamilton Mountain is here and has been here during his whole speech.

Mr. Taylor: Well, I never said he was not. I do not know what he is talking about.

Some Hon. Members: Oh, oh!

Mr. Taylor: The only thing I know is that they sure must be hard up for Members when they start inviting me to join them.

Mr. Deans: Mr. Speaker, I just want to withdraw my offer. The Hon. Member is absolutely right; we are not that hard up and I withdraw the offer.

Mr. Taylor: That makes me feel better. I would hate to have a red face. I like the colour red but not with a hammer and sickle on it.

Now, Mr. Speaker, I want to say a few other things about the new Leader of the PC Party. He will be here and will speak for himself but he has already made a very definite impact on the people of Canada. He has made it very clear that he is a free enterpriser, not a socialist. He has made it very clear that he is not afraid to speak to the big corporations, the CPR, CNR, Imperial Oil or anyone else. He has made it very clear that his policies will be for the people of Canada, so that every region can have a fair show. Not just one region, not just western Canada, but all of Canada. There will be fair play for all parts of Canada, and that is the way of the United Nations. His policies on the Crow, I think, are tied in with mine, because our philosophy is freedom of choice. We want the people to be able to decide. When the Hon. Member for Hamilton Mountain started to answer the question from my colleague, the Hon. Member for Red Deer (Mr. Towers), he showed that he did not know what the Crow was all about. Every farm organization in Canada, except the Farmers' Union and the NDP, state that there must be a change in the Crow. Every farmer and every organization has said that. We are not prepared to live with the present Bill C-155.

• (1710)

Mr. Althouse: Point of order.

Mr. Taylor: We are trying to urge the Government to do something about that.

The Acting Speaker (Mr. Corbin): Order. Is the Hon. Member for Humboldt-Lake Centre rising on a point of order?

Mr. Althouse: Yes, Mr. Speaker, I am sure the Hon. Member would not want to mislead the House by leaving the inference that hardly any farm organizations are against changes to the Crow. He must certainly remember that the Saskatchewan Association of Rural Municipalities, which represents every farmer in Saskatchewan, has opposed any change to the rate on Crown, as have many organizations—

Mr. Taylor: Mr. Speaker, I appreciate that. There is a handful.

Some Hon. Members: Oh, oh!

Mr. Taylor: However, most of the farm organizations have agreed that there will not be service on the railways if the railways are not making a profit, if they are not making the thing pay. I also want to say that I think the railways must have money to give us proper service and proper transportation, but the freedom of choice—

The Acting Speaker (Mr. Corbin): Order. It being 5.12 o'clock, the two hours provided for the consideration of the motion now before the house under the provisions of Standing Order 9(2) have expired.

[*Translation*]

It is therefore my duty under Standing Orders to interrupt the proceedings and to put forth all questions necessary to dispose of the motion.

The vote is on the motion put by Mr. Pinard, seconded by Mr. Lalonde.

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

Some Hon. Members: Yea.

Some Hon. Members: Nay.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Corbin): In my opinion, the yeas have it.

And more than five Members having risen:

The Acting Speaker (Mr. Corbin): Call in the Members.

[*English*]

Madam Speaker: Before I take the vote, I would like to tell Hon. Members that I feel very strongly that 15-minute bells should be observed.

Some Hon. Members: Hear, hear!

[*Translation*]

The House divided on the motion, (Mr. Pinard) which was agreed to on the following division:

(*Division No. 356*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
Malépart
Maltais
Marceau
Massé
Masters
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Simmons
Tardif
Taylor
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—126.

NAYS

Messrs.

Althouse
Beatty
Benjamin
Blaikie
Bosley
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie (St. John's West)
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Huntington
Jarvis
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Mitchell (Mrs.)
Mitges
Murphy
Murta
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Schellenberger
Shields
Siddon
Skelly
Speyer
Stevens
Thacker
Thomson
Towers
Waddell
Wenman
Wilson
Wise
Wright
Young
Yurko—103.

● (1750)

Motion (Mr. Pinard) agreed to.

ROUTINE PROCEEDINGS

[*English*]

STATUTES OF CANADA

TABLING OF AMENDMENTS

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I am pleased to lay upon the Table of the House in both official languages a copy of the Government's proposals to correct certain anomalies, inconsistencies, archaisms and errors and to deal with other matters of a non-controversial and uncomplicated nature in the Statutes of Canada.

PETITIONS

MR. PATTERSON—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Alex Patterson (Fraser Valley East): Madam Speaker, it is my duty to present the following petition to the honourable the House of Commons of Canada in Parliament assembled: the petition of the undersigned of the Official Board of Carmen United Church, Sardis, in the Province of British Columbia, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy. It humbly sheweth that many ordinary people across Canada, church leaders, parliamentarians and others share their fears of a nuclear holocaust, but still entertain the hope that it may be prevented through Government's continued efforts to discover peaceful means of settling disputes. Wherefore the undersigned, your petitioners humbly pray and call upon Parliament to support a nuclear freeze and oppose the testing of the Cruise missile on Canadian soil. And as in duty bond, your petitioners will ever pray.

RETENTION OF CROWSNEST PASS RATES

Mr. Laverne Lewycky (Dauphin-Swan River): Madam Speaker, this petition is from two towns in my riding, Grandview and Gilbert Plains. To the honourable the House of Commons of Canada in Parliament assembled, the petition of the undersigned residents of the Province of Manitoba who now exercise their right to present a grievance humbly sheweth that the Crow rate is an important benefit to western Canada and one of the earliest incentives granted to settlers and that the changing of the Crow rate will reduce farm incomes, contribute to the breaking up of communities and branch lines and increase trucking and road costs, and that three royal commissions have recommended the retention of the Crow rate. Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by Statute. And as in duty bond, your petitioners will ever pray.

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I too have the honour of presenting a petition from 36 Canadians from Plunkett, Saskatchewan. The petition, Madam Speaker, reads:

[*Translation*]

To the Honourable the House of Commons of Canada, in Parliament assembled:

Some Hon. Members: Hear, hear!

[*English*]

Some Hon. Members: Oh, oh!

Order Paper Questions

Mr. Waddell: Can I not use Canada's other official language?

[*Translation*]

Some Hon. Members: In French!

Mr. Waddell: The petition of the undersigned residents of Canada who now exercise their ancient and undisputed right to present a grievance, with the assurance that your honourable House of Commons will remedy the situation.

Humbly sheweth

That the Western Canadian farmers paid $131 million to move export grain under the Crow freight rate in the 1981-82 crop year. This grain in turn contributed $6.3 billion to the balance of trade;

That the undersigned believe that this is the farmers' fair contribution to the Canadian economy;

And that Western farmers will pay but one time the Crow rate.

Wherefore the undersigned humbly pray and call upon Parliament to maintain the present statutory grain Crow rate.

And as in duty bound your petitioners will ever pray.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jean Lapierre (Parliamentary Secretary to Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the following questions will be answered today: Nos. 4,864 and 4,872.

[*Text*]

DND—PURCHASE OF CHEMICAL AIR BURST DISPENSERS

Question No. 4,864—**Mr. McKinnon:**

Is the Department of National Defence spending $204,799 for chemical air burst dispensers and, if so (a) for what reason (b) what chemical are they going to dispense?

Hon. J.-J. Blais (Minister of Supply and Services): Yes. (a) The dispensers are used during training exercises to simulate gas attack. (b) Sodium carbonate and propylene glycol are dispensed.

CANADA LAND INVENTORY MAPS

Question No. 4,872—**Mr. Thomson:**

1. How many Canada Land Inventory maps were produced for sale by the Canada Map Office?

2. What was the cost of production?

3. How many of the maps were sold to date and what was the breakdown of sales made to (a) individuals (b) governments (c) companies, including the type of company?

Hon. John Roberts (Minister of the Environment): 1. Approximately two million maps have been produced for the

public through the Canada Map Office and its counterparts in the Provinces.

2. Approximately $1 million.

3. Approximately 760,000 copies have been distributed to the public through the Canada Map Office and its counterparts in the Provinces. (a), (b) and (c) No record is maintained of the types of users.

[*Translation*]

Mr. Lapierre: 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. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

[*Translation*]

* * *

MOTIONS FOR PAPERS

Mr. Jean Lapierre (Parliamentary Secretary to Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, notices of motions for the production of papers Nos. 66 and 67 in the name of the Hon. Member for Durham-Northumberland (Mr. Lawrence) are acceptable to the Government.

Madam Speaker, I ask 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 notices of motions Nos. 66 and 67 be deemed to have been adopted?

Some Hon. Members: Agreed.

[*Text*]

McDONALD COMMISSION

Motion No. 66—**Mr. Lawrence:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House, copies of all Orders-in-Council of any department relating to the Commission of Inquiry concerning certain activities of the Royal Canadian Mounted Police (McDonald Commission) and, in particular, P.C. 1977-1911, dated July 6, 1977; P.C. 1979-887, dated March 22, 1979; and P.C. 1979-1616, dated June 2, 1979.

CONSTITUTIONAL CONVENTION REGARDING ACCESS BY MINISTERS TO PAPERS OF FORMER MINISTRIES

Motion No. 67—**Mr. Lawrence:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House, copies of all exchanges, understandings, agreements, correspondence, minutes, Records of Decisions, Orders-in-Council, and other communications, notes or summaries of communications of the Privy Council Office relating to the "Constitutional Convention Regarding Access by Ministers to Papers of Former Ministries" as they were agreed to or exchanged between (a) the outgoing King administration and the incoming St. Laurent administration in 1948 (b) the outgoing St. Laurent administration and the incoming Diefenbaker administration (c) the outgoing Diefenbaker administration and the incoming Pearson administration in 1963 (d) the outgoing Pearson administration and the incoming Trudeau administration in 1968 (e) the outgoing Trudeau administration and the incoming Clark administration in 1979, including a copy of the letter from Mr. P. M. Pitfield to Mr. J. Clark, dated June 1, 1979, and a copy of any Order-in-Council of the outgoing administration relating to the Convention or the said letter (f) the outgoing Clark administration and the incoming Trudeau administration in 1980, including a copy of the letter relating to this subject directed to Mr. P. E. Trudeau, dated February 29, 1980.

[*Translation*]

Madam Speaker: Shall the other notices of motions stand?

Some Hon. Members: Agreed.

Madam Speaker: It being six o'clock, I do now leave the Chair until tomorrow morning at eleven o'clock.

At 6 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, June 16, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed from Tuesday, May 24, 1983, consideration of the motion of Mr. Pepin that Bill C-155, to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport; and the amendment thereto of Mr. Benjamin (p. 25389).

Mr. Deans: Mr. Speaker, at this time I rise on a point of order that I consider to be of some vital importance to the business that is now before the House. You may be aware, Mr. Speaker, that we opposed first reading of Bill C-155 because we believed that the Bill was both unacceptable in principle and confusing.

You will note, Mr. Speaker, that page 380 of Erskine May, Nineteenth Edition, deals with something called a complicated question. Page 380 of Erskine May reads as follows:

> The ancient rule that when a complicated question is proposed to the House, the House may order such question to be divided, has been variously interpreted at different periods.

It goes on to read:

> In 1888, however, the Speaker ruled that two propositions which were then before the House in one motion could be taken separately if any Member objected to their being taken together. Although this ruling does not appear to have been based on any previous decision, it has since remained unchallenged. A complicated question can, however, only be divided if each part is capable of standing on its own.

I submit to you, Mr. Speaker, and I hope to back my submission up with some evidence, that the Bill before us does in fact place before the House a complicated question within the definition comtemplated by Erskine May, that the question before the House has three quite different principles contained within it, that those three principles are not reliant one upon the other, and that each principle is capable of standing on its own.

I would submit to you, Mr. Speaker, that Bill C-155, when voted upon at second reading, would require Members of the House of Commons to vote on three distinctly different principles with one vote. I submit that it would be impossible for a Member to exercise his or her responsibility properly if that Member were to be required to vote for or against a Bill containing three principles when in fact the Member might find himself or herself in support of one or more of the principles but in opposition to one or more of the principles.

That goes directly, therefore, to the question that Erskine May poses, that if a question is one which a Member cannot in good conscience rise and vote for freely and with the assurance that that vote will achieve the results that the Member believes ought to be achieved in dealing with the principles of the Bill, then the Bill should be divided.

• (1110)

In putting this point before you, I want to indicate what those three principles are. The Bill is divided into a number of parts. I want to make it clear that I am not arguing that simply because the Bill deals with more than one amendment to more than one piece of legislation, it is necessarily dealing with more than one principle.

In the case of Bill C-155 three quite different and quite distinct principles are involved. The first is to set up a new administrative procedure for dealing with the transportation, shipping and handling of grain. This procedure could be pursued independent of any other action of the Government. It deals with the establishment of a commission, the purpose of which is to set out the methods to be used and the procedures to be followed in the technical aspects of the transportation of grain over the railroads of Canada.

The second principle contained in the Bill speaks directly to the amount of money to be charged to the farmer for the movement of grain. It is a separate principle and the amount of money to be charged to the farmer could be introduced in a piece of legislation standing on its own that could be dealt with separately and quite apart from how the transportation system is to work.

I therefore submit that although those two principles are put together—in the view of the Government they may be marginally related—they are, however, capable of being dealt with separately. That is the key—they are capable of being dealt with separately. They are capable of standing on their own. They could have been introduced as separate pieces of legislation, one without the other. One piece could have been introduced without the other ever having been dealt with.

It would be possible to redevelop the railroad system using the proposals in Part I without in any way changing the method of payment that farmers currently have enshrined in law. It would equally be possible to change the method of payment without in any way altering the basic railroad system.

I submit that those are the two principles involved, each dealing with an entirely different matter—although the Government may want to relate them—and each capable of standing on its own merits. Not only that, Mr. Speaker, but it is possible that Members of the House might want to support one of the principles while opposing another of the principles.

In order that Members of the House may do their job properly on behalf of their constituents, they must be able to vote freely on second reading, which is approval in principle, without voting to do something they do not want to happen or voting against something that would automatically require that something they want would be defeated.

There is a third principle contained in Bill C-155 which speaks directly in Part VI to the disposition of the Canada coal lands. I would like to submit again that just as the principle which applies to the management and development of the railroad can and should stand on its own, and just as the principle relating to the tariff to be paid by the farmers for the movement of grain can and should stand on its own, the disposition of the Canada coal lands is in no way related to the freight rate which will be charged for the movement of grain. Nor, for that matter, is it related to the redevelopment of the railroad system. Therefore, we now have not two but three distinctly different principles.

• (1115)

I put to you, Sir, that that quite clearly is within the definition as set out by Erskine May on Page 380, which definition I read to you at the beginning of my remarks, when he said that a complicated question can only be divided if each part is capable of standing on its own. I submit to you that that test is clearly met by the argument which I am making. There is no one in the House who would deny that if the Government wanted to move ahead with legislation to determine how the Dominion coal lands should be handled, as a matter of principle, the Government could bring forward a piece of legislation to do that, and that could be dealt with by each Hon. Member of the House of Commons and voted upon according to how that Hon. Member believed the proper disposition of that should be achieved.

Therefore I say to you, Mr. Speaker, that we are faced with a dilemma, that is, that if the Government persists in attempting to push this particular Bill to second reading in its present form, the Government will be requiring Hon. Members of the House of Commons to vote for or against three matters of principle which are not related, three matters of principle which the Hon. Members may quite justifiably feel cannot be dealt with properly by one vote.

I would like to point out to you, if I may, that this matter has come up previously in a variety of different ways—

The Acting Speaker (Mr. Corbin): Order, please. I regret to have to interrupt the Hon. Member. The Chair has been listening attentively to the argumentation being made by the Hon. Member and I do not want to put that argumentation in question in any way, shape or form. The Chair, however, is concerned with the matter of the process. In the opinion of the Chair, at this stage the House is considering an amendment which would have the effect, if it carried, to have for all practical purposes the Bill die or withdrawn. In the opinion of the Chair, that matter ought to be disposed of in the first instance.

However the House disposes of the question now before the House on the amendment, the Hon. Member would be quite right in raising the argumentation which he has already begun this morning. In the Chair's opinion, however, that argumentation should not be made at this time but following the disposition of the amendment which is now before the House for consideration.

Therefore, I would ask the Hon. Member to postpone his argumentation, to wait for the disposal of the amendment which, if carried, would have the effect in any case of losing the Bill as far as the Government is concerned. At that time the Chair will listen to the Hon. Member's argumentation and take it under advisement. I will hear the Hon. Member for Hamilton Mountain (Mr. Deans).

Mr. Deans: I very much appreciate the point raised by the Chair. However, I would point out that if the amendment were carried, it would be carried as the result of a vote. The argument holds whether it be the amendment, Sir, or whether it be the main motion. It can be disposed of by only one vote. It is not only possible but is a fact without question that certain parts of the Bill, even as a result of the amendment, could be defeated without that necessarily being desirable. For example, as you say, if the amendment to the motion were to carry, the Bill would fail. The three principles of the Bill would then have failed and the fact is that the three principles stand separately, in my opinion and that of my colleagues, and I hope in the opinion of other Members. Therefore to have defeated them would require that you defeat something you are in favour of.

• (1120)

Mr. Smith: Nothing new about that.

Mr. Deans: Which is exactly the point I am trying to make, and I appreciate the Chair for assisting me in this way. It is true that if the amendment is defeated, then the Bill continues for further discussion. Of course, at that point there could be further discussion on the point I am making. But we cannot and may not prejudge the outcome of the vote on the amendment. We are not permitted to do that. We have to assume that the amendment might well carry, and if it did, the Bill would be defeated and with it would go clauses of the Bill which Members would have wanted to vote for.

So I urge that you consider that aspect since I think the Chair has quite well made the point I have been trying to make.

The Acting Speaker (Mr. Corbin): Oder. The Chair is taking the various points raised by the Hon. Member under advisement on a continuing basis. In the Chair's opinion, one

way out of the difficulty which now faces the House from a procedural point of view would be to withdraw the amendment at this stage. The other option, as the Chair said earlier, would be to dispose of the amendment by a voice or recorded vote as the House may choose. Otherwise, we should at this stage be proceeding with the discussion of the amendment.

Mr. Deans: Mr. Speaker, I am so reluctant to engage in this because if we were to dispose of the amendment and in doing so defeat the Bill, as you are suggesting and I would certainly hope might well be the case, we would have been required to dispose of three matters of principle which stand unrelated and which, if disposed of by a vote on the amendment, would mean that we would have voted against things we were in favour of and for things we were against. That happens in the case of an amendment just as it happens in the case of a second reading vote.

I urge that you hear the argument, Sir, because it is applicable both to the disposition of the amendment and second reading. If the Speaker were to rule that there are indeed three questions of principle contained in the Bill and as a result it is indeed a complicated question as defined in Erskine May, then we would obviously at that point have to withdraw the amendment. But surely we would not dispose of the amendment in advance of determining whether or not the Chair is in fact prepared to rule that the argument, having been made and heard, is valid, that there are indeed the components of a complicated question as established by Erskine May and as dealt with over the years, and that therefore the question should be put in three separate parts for three separate votes. I beg the indulgence of the Chair at least to hear the argument out since it applies equally to the Bill's disposition by amendment or disposition by second reading vote, in my judgment.

• (1125)

The Acting Speaker (Mr. Corbin): Before deciding to recognize another Hon. Member, the Chair must remind Hon. Members that the question before the House now being debated is not so much on the principle of the Bill but, rather, "that the Bill be not now read a second time but that it be read a second time this day six months hence".

The Chair, of course, does not wish at this time to make a comment on the arguments presented by the Hon. Member for Hamilton Mountain. The Chair certainly recognizes his right to raise the matter he has raised, and it does not want in any way to hamper the Hon. Member for Hamilton Mountain in presenting that argumentation to the Chair. However, in the Chair's opinion this is not the proper time to do it because of the nature of the amendment now before the House. Therefore, the Chair, as indicated earlier, has drawn to the attention of the Hon. Member that there is simply one other option by which he would be allowed to carry on his argumentation at this time, and that would be to withdraw the amendment, because of the very nature of the amendment before the House.

The Hon. Member for Vegreville (Mr. Mazankowski) sought to be recognized earlier. I will hear him out, but the Chair does not wish to encourage a prolonged debate on this matter at this time.

Mr. Mazankowski: Mr. Speaker, I will be very brief. I want to say at the outset that I am impressed by the arguments of the Hon. Member for Hamilton Mountain (Mr. Deans). I think he has raised a very valid point.

I have been trying to follow your rationale, Mr. Speaker, and if, as you suggest, the Bill may be in improper form, if it is in fact found to be improper, then it would seem to me that the amendment would be improper as well. Therefore, the very fundamental point here, as the Hon. Member has pointed out, is that we are really dealing with three principles. I suggest that there are probably four principles enshrined in the Bill. I think there is substantive precedent. I can refer to the omnibus energy Bill, which was really at the heart and core of this issue.

My simple point is that if a Bill is before the House in improper form, that should be decided upon right now, notwithstanding the fact that we have an amendment which is substantive. It may have a bearing upon whether or not another similar amendment may be introduced.

In attempting to follow Your Honour's reasoning, I find that I am more compelled to support the Hon. Member on the basis of Your Honour's rationale.

Some Hon. Members: Hear, hear!

Mr. Blaikie: Same point of order, Mr. Speaker.

The Acting Speaker (Mr. Corbin): The Chair will recognize the Minister of Transport (Mr. Pepin).

Mr. Pepin: I will be equally brief. I entirely disagree with the validity of the argument. On the basis of substance, just to look at the Bill is sufficient. It is, as we all know, divided into seven Parts. The first Part concerns administrative measures. This relates to the institutional aspect, the senior grain committee, the grain co-ordinator, and so on. Then it moves on to the establishment of rates.

Mr. Deans: Hold on. I rise on a point of order, if I may, Mr. Speaker. I would be delighted to hear the Minister's argument, but he is now arguing the substance of what I said. I am eager at the moment to find out whether I am to be permitted to continue my argument rather than hear the Minister try to defend his ill-conceived Bill.

The Acting Speaker (Mr. Corbin): Order, please. The Chair has heard the points of order. The Chair still maintains that there are doubts as to the raising of this matter at this time in terms of procedure. Perhaps Hon. Members would allow the Chair at this time to take the matter under advisement and I will make a definite ruling at the very earliest opportunity.

• (1130)

Mr. Deans: Mr. Speaker, if I may ask a question, will the Chair be in a position to indicate by three o'clock the decision with regard to the appropriateness of my raising this matter now? I am absolutely convinced that if I wait too long I will then be in more trouble. I will have lost the opportunity to raise it at the first possible opportunity after it became known to me that the Government was not prepared to consider a proposal that I made to it with regard to accommodating our desire to split the Bill.

The Acting Speaker (Mr. Corbin): Of course, the Chair will endeavour to come forth with a ruling at the very earliest opportunity. I think the Hon. Member for Hamilton Mountain can take that to mean that certainly by three o'clock, if not earlier, the Chair will be in a position to rule.

Mr. Deans: Mr. Speaker, I have one other small point. I just want to be clear that the ruling that the Chair proposes to make at the earliest possible moment does not go to the substance of the argument but to whether or not the argument can be made now.

Mr. Pepin: Mr. Speaker, I rise on a point of order for your consideration at noon. I was told that I was out of order in some way. The argument being presented by the Hon. Member for Hamilton Mountain (Mr. Deans) is that the Bill can be split. He is trying to invoke principles. He said that the Parts were marginally related.

The Acting Speaker (Mr. Corbin): Order, please. The Chair has informed the House that it wishes to take the matter under advisement. Therefore, it would not be proper at this time to continue the debate on the question of the principles involved. That argumentation, as suggested earlier by the Chair, should come at a later stage. Therefore I think we should continue with debate at this time.

The Hon. Member for Regina West (Mr. Benjamin) on another point of order?

Mr. Benjamin: Mr. Speaker, I rise on the point of order concerning whether it is appropriate for discussion to occur now or after dealing with the amendment. Since I am the mover of the amendment I wish to ask the Chair to consider me as an individual Member who would like to vote for two parts of the Bill and against one part of it. Of course, I will have to support my own amendment and that is why I wish to submit that when the Chair takes this matter under advisement it realize that all Hon. Members who may support one or more principles of the Bill and oppose others are in the same position.

Even on the amendment, Members are being asked to vote against measures they favour and for measures they oppose. Surely when the Chair is taking this under advisement it can do nothing other than to say that the appropriateness of the original point raised by the Hon. Member for Hamilton Mountain is valid and that the decision on splitting the Bill must occur before a vote on the amendment.

The Acting Speaker (Mr. Corbin): Order. The Chair does not wish to hear additional contributions to the point of order. I have informed the House that I wish to take this matter under advisement at this time. We are simply dealing with process. We are not arguing principles involved in the Bill but the appropriateness of hearing the points of order at this time. That is the first and fundamental matter that must be decided.

When that ruling is made the Chair will gladly hear other Hon. Members who wish to debate the points originally raised by the Hon. Member for Hamilton Mountain. I think that is generally agreed.

Mr. Deans: Mr. Speaker, I rise on another point of order. I want to draw to your attention page 26363 of *Hansard* of June 14, 1983. It says the following:

> HON. HERB GRAY (PRESIDENT OF THE TREASURY BOARD) moved:
>
> That Vote 40, in the amount of $35,000,000 under the Department of External Affairs—Payment to the Export Development Corporation for operating losses, in the Main Estimates for the fiscal year ending March 31, 1984, (less the amount voted in Interim Supply), be concurred in.

It then goes on to show the division. The division shows as follows—and I will not read them all because I am not trying to waste time—

Some Hon. Members: Oh, oh!

Mr. Deans: You should wait for it. The list includes Mr. Allmand, Mr. Andre, Mrs. Appolloni, Mr. Bachand, Mr. Baker (Gander-Twillingate), Mr. Beatty, Madam Beauchamp-Niquet, and the list goes on. However, the *Votes and Proceedings* of June 14 at page 6016 states:

> Mr. Gray, seconded by Mr. Pinard, moved,—That Vote 40, in the amount of $35,000,000 under the Department of External Affairs—Payment to the Export Development Corporation for operating losses, in the Main Estimates for the fiscal year ending March 31, 1984 (less the amount voted in Interim Supply), be concurred in.

It then shows a different list of persons having voted for the motion. The Members who voted as shown in *Hansard* are not the Members who voted as shown in the *Votes and Proceedings*. There is something drastically wrong. Either the Members did vote or did not vote for the motion.

The Acting Speaker (Mr. Corbin): I am sure that the Hon. Member for Hamilton Mountain raises a legitimate matter. However, the Chair does not see in what way it is related to the debate now before the House.

Mr. Deans: It is not related at all.

The Acting Speaker (Mr. Corbin): Matters of this nature are normally dealt with during Routine Proceedings following Question Period. Unless the Hon. Member can show how the point he raises is related to the Bill and the amendment now before the House, I think it is quite inappropriate to raise the matter at this time. However, I will hear the Hon. Member for Hamilton Mountain.

Mr. Deans: Mr. Speaker, I will not argue with you. It is my obligation to raise points of order when they are first brought

to my attention. I happened to have this brought to my attention on reading it right now. I must raise it when I know it is wrong. I now know it is wrong and a point of order, regardless of its being related to what is happening, is always in order.

The Acting Speaker (Mr. Corbin): In any case, the Hon. Member for Hamilton Mountain was allowed to make his point. I am sure the error will be corrected as usual.

Mr. Parker: Mr. Speaker, I rise on a point of order. You have suggested that you will be bringing back a recommendation later this afternoon. I would like you to consider the fact that Part IV of this Bill, which my House Leader has brought to your attention, affects my riding very seriously.

Mr. Smith: Order.

The Acting Speaker (Mr. Corbin): Order. The Hon. Member is now raising a matter which deals with principles contained in the Bill. The Chair informed the House earlier that it would bring down a ruling on the question of the process of raising the point of order at this time. Therefore I would invite Hon. Members to proceed with debate. The Hon. Member for York-Peel (Mr. Stevens).

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, on May 24 I began for a few moments simply to give another perspective with respect to this debate. The bottom line of my argument is that we should all recognize in the House that the executives of CP are very clever bargainers. They are very good dealers. With respect to this matter, they obviously have the Minister of Transport (Mr. Pepin) in their pockets. They have him doing substantially what CP feel would be very much in their interest.

I was pointing out that there is another side to this issue, and that is the injustice that has been perpetrated for years on various minority shareholders and bondholders in subsidiary companies that are controlled and dominated by CP and virtually run by CP with respect to their assets as if those assets were in fact CP assets. I say this because I think the facts will show when we get to committee that much of the land the Minister of Transport proposes to deal with, much of the tremendous new subsidy that will go into the CP, actually and rightfully should be for the benefit of shareholders and bondholders that have nothing directly to do with CP at all. The CP, through technicalities with long-term leases, sometimes running as long as 999 years, through long-term financing, sometimes in perpetuity, in some instances for 100 years, has been fleecing shareholders and bondholders not only in Canada but unfortunately in other countries, in particular the United Kingdom.

• (1140)

If I may, in the few minutes that I have left I would like to put on the record the case that I think can be made. The Crowsnest Pass Agreement was negotiated with CP and the Government on behalf of the people of Canada. The intention was to induce settlement of the West in reliance of the Government's promise of a fixed freight rate.

The Government of Canada and CP have made many agreements. Everyone knows of the vast land subsidies granted by the Government to induce building of the railway. Not everybody knows, however, of the many government acts entitling CP to enter into long term and perpetual leases at fixed rates and issue long term and even perpetual debt at fixed rates. The CP's method of accounting leads to tunnelvision when looking at the Crow rate. The CP has segmented its operations into rail, and other operations, such as Marathon Realty, CP Enterprises and Cominco. The enormous wealth generated from the lands and minerals granted to the CP by the Government are segregated to other companies and certain CP rail operations show a loss. The Government or people of Canada are constantly being shown the loss side of the ledger but not the profit side.

The Government provided these subsidy lands which have, through time, become enormously valuable in consideration of CP's obligation for freight and passenger service in Canada. Now that the subsidy land profits have been realized, CP appears with its segmented accounting to show a loss in freight and passenger operations. We have already totally bailed out CP in its passenger operations. VIA Rail paid outrageous prices for old rolling stock and at the present time leases the rail service of CP so that the people of Canada have paid twice for passenger service which it now provides for itself.

Take a look at the consolidated operations of CP and you will see consistent profits from the total assets provided originally by the Canadian taxpayers.

The argument really is that time has made the Crow rate an economic burden to CP and an unfair economic windfall to Canadian farmers. That, I suggest, is not a fair picture. The present Canadian farmers bought their lands at prices reflecting farm incomes based on the Crow rate. The present shareholders of CP bought their shares at prices reflecting CP's consolidated income including the Crow rate. If, therefore, the rate is increased, present wheat farmers suffer an injustice in both capital and income and CP shareholders have increased profits and capital value of their shares. What is the justice in that? The promise of the Crow rate given by the Government should not work to the detriment of those people or their descendants who relied on the promise to move west so that shareholders of CP could get an increased windfall profit.

May I continue, Mr. Speaker?

The Acting Speaker (Mr. Corbin): I must advise the Hon. Member that his time has expired. He may continue with unanimous consent. Is there unanimous consent to allow the Hon. Member for York-Peel to conclude his speech?

Some Hon. Members: Agreed.

Some Hon. Members: No.

An Hon. Member: Do you want to hear the truth?

Mr. Smith: I do not want to hear the filibuster.

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Bow River (Mr. Taylor) is rising on a point of order.

Mr. Taylor: Mr. Speaker, the Hon. Member for York-Peel (Mr. Stevens) spoke for only five minutes the last day, and he commenced today at 11:39 a.m.

Some Hon. Members: Oh, oh!

Mr. Taylor: I am sorry, Mr. Speaker, that does amount to ten minutes.

The Acting Speaker (Mr. Corbin): The Hon. Member for Bow River is usually right.

The Hon. Member for Brandon-Souris (Mr. Clark).

Some Hon. Members: Hear, hear!

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, I am delighted to have this initial opportunity to rise to participate in the debates of this House and I wish to begin by thanking the electorate of Brandon-Souris for their support in the recent by-election.

Some Hon. Members: Hear, hear!

Mr. Clark (Brandon-Souris): I look forward to serving my constituents in the remaining days of this Parliament and, I hope, in many Parliaments to come.

Some Hon. Members: Hear, hear!

Mr. Clark (Brandon-Souris): I am particularly pleased to speak on this amendment as the question of the Crow was much debated during the course of my by-election campaign. I would like, therefore, to share with you, Mr. Speaker, and the House, the views of the farmers of my constituency, views which they often expressed over the course of the last four months.

Let me begin by recognizing that there are many diverging viewpoints on this proposal but those viewpoints, in my opinion, differ more in terms of detail than they do in substance. The vast majority of farmers in my constituency are opposed to the Government's transportation policy in its present form. As a result, I rise to speak in strong support of this amendment to postpone consideration of this Bill for six months because I am of the opinion that additional time is required for consideration of this very important and very detailed proposal.

Half of my constituents reside in the so-called rural portion of Brandon-Souris, and even those who live within the city of Brandon understand fully that agriculture is the backbone of the economy of my constituency. Furthermore, all members of my constituency recognize that the agricultural industry is equally vital to the economy of all of western Canada.

Unfortunately, prairie farmers have been suffering for several years from a financial crisis which has been caused by a combination of factors, many of which are direct results of the Government's energy and economic policies. On the one hand, rising interest rates, combined with excessively high fuel and fertilizer costs, have caused the farmers' costs to rise to unequalled levels. Tragically, those costs have been escalating at the very time farmers' incomes have been falling as a result of declining world prices for grain. Western Canadian farmers, as a result, find themselves in an extremely dangerous financial crisis at this moment. Therefore the Government's proposal to abolish the Crow and to increase the farmers' transportation costs has been put forward at an extremely unfortunate time in the history of western agriculture.

The majority of farmers with whom I have spoken are painfully aware of the need for an improved transportation system, and they are prepared to pay a reasonable share of the cost to provide that system. They very legitimately argue, however, that there are very real limits to what they can afford to pay. For that reason I proposed during the course of the by-election, and as I suggested in this House last week, that the farmers' share of their transportation costs must be regulated in such a manner that their farming operations will remain viable.

What is required, therefore, is the creation by statute of a ceiling price which will protect the farmer from the possibility that his costs will rise on the one hand, while the value of his produce declines on the other. I propose, therefore, that a ceiling of approximately 7 per cent of the initial price for grain, or 7 per cent of the average price for non-board grains, be established. That percentage corresponds to the farmers' average transportation costs during the past quarter century. If this proposal is accepted, farmers will know that their transportation costs will not escalate beyond reason nor beyond their capability to pay.

The creation of such a ceiling, a ceiling that would be significantly lower than the Government's proposed safety net of 10 per cent of the weighted average price for grains, would require, of course, that the federal Government would have to contribute more than it is currently proposing to the cost of improving the country's rail system. Members on this side of the House, Mr. Speaker, believe very strongly that such money would be better spent on improving the farmers' transportation system than on other projects, such as the $1.4 billion which has been recently extended to cover the losses of Canadair.

• (1150)

In addition to being assured that the farmers' share of transportation costs will be regulated by statute, prairie grain producers need the guarantee that these reduced rates should apply to all the grain which farmers can produce. Any proposal to charge the full commercial rates on that portion of the farmers' crop exceeding 31.3 million tonnes would only discourage increased productivity.

I would like to conclude by noting that many western grain producers wish further time to examine this very detailed proposal, as the Government's proposal could have a devastating impact upon western agricultural industry if it is implemented in its present form. Those individuals and the various farm organizations to which they belong require more time in

which to study the Bill and to reach a consensus on the merits of the proposal. I will vote, therefore, in favour of the amendment which is designed to postpone consideration of this Bill for six months.

Some Hon. Members: Hear, hear!

Mr. Benjamin: Mr. Speaker, since it is the Hon. Member's maiden speech, which we were all glad to hear, and in accordance with the tradition of the House when Members make their maiden speeches, I am sure there would be unanimous consent for him to continue his remarks if he wished to do so.

The Acting Speaker (Mr. Corbin): It is the Hon. Member's privilege to seek extended time. I gather he is not making that request at this time.

Mr. Douglas Roche (Edmonton South): Mr. Speaker, I would like to begin by congratulating the Hon. Member for Brandon-Souris (Mr. Clark) on his maiden speech. It was an outstanding effort of bringing to this House the very legitimate concerns of the electors who enabled him to enter this House because of their desire, first of all, that a rotten Government be replaced by a Party which is capable of bringing to this House Members such as the Hon. Member who has just spoken, to represent the concerns of their constituents, particularly in the area of the Crow rate that is of such crucial importance to western Canada. I am very pleased to pay my respects to the new Member and on behalf of my colleagues to welcome him formally here after his first speech.

Some Hon. Members: Hear, hear!

Mr. Roche: It may not surprise you, Mr. Speaker, that an urban Member of Parliament is now on his feet in the House. While my good friend, the Hon. Member for Elgin (Mr. Wise), will recognize that my participation in the agricultural work of this House has not been particularly notable, there is a very real reason why an urban Member enters this debate. It is because what we are discussing here today on the Crow rate is of interest not only to the agricultural experts in this House and rural Members such as we have just heard, but it is central to the very life of western Canada, including the urban Members of this House.

This debate is really only beginning. We are representing here the viewpoint of western Canada. Other Members are bringing to the House viewpoints from other parts of Canada. It is a national issue. I believe it is absolutely correct to note, as the new Leader of the Progressive Conservative Party, Mr. Brian Mulroney, made clear, that changing the Crow rate is akin to changing language legislation in Quebec. It is of the same dimension. That is why this Bill should not be rushed through Parliament. Careful deliberation and thought are necessary. I believe, with the new Leader of our Party, that productivity must be improved in Canada and, since agriculture is the only bright light in the Canadian economy, farmers should not be penalized under this Bill.

I want, with others, to draw the attention of the Government to the speech made by the Hon. Member for Vegreville (Mr. Mazankowski) who brought out his 14-point critique on this Bill on May 12 last. At that time he put forward a promising compromise that is at least one way for us to approach the extreme difficulties that the Bill presents. That compromise would allow the producer to decide if he wants the Crow benefit personally as opposed to having it paid directly to the railways. Such freedom of choice would give the producer the opportunity to affect the development of the grain-handling system, freeing the market to create and maximize efficiency. It would put decision making in the hands of the farmers themselves rather than having Government and the railways telling farmers what is good for them.

In this regard Bill C-155 is particularly lacking. Despite giving the railways what will amount to an extraordinary 1,000 per cent increase in freight rates by 1990, it nonetheless does not guarantee an efficient, cost-effective, and reliable grain transportation system.

In the time available for this part of the debate, I cannot deal with my many concerns and objections. Let me just concentrate on a couple of points. Perhaps I will have an opportunity at another stage of the debate to elaborate on my concerns.

The Government's initiative on changing the Crow does not give western Canada the opportunity for economic diversification which our vulnerable, resource dominated economy so badly needs, most directly in the realms of livestock and agricultural processing. According to the Minister's own figures, this Bill will further distort existing anomalies in freight rates, costing $1 billion in livestock production and an additional $350 million in processing activity. Moreover, by removing the statutory rates the agricultural sector will be denied a much needed factor of stability in an economic sphere which has been plagued by wild fluctuations in prices.

In a very real sense, these statutory rates for the shipment of western grain have been a key trade-off of Confederation, and that is the centrepiece of the positions we are presenting here. This has been a counter balance to the protection extended to industrial based central Canada. This buffered western Canada against harsh and often unfair international competition. Australian farmers pay less than 50 per cent of the cost of shipping their produce. Argentina gives free rail transport for grain. Wheat farmers in the EEC get a direct subsidy of $2.53 per bushel. Even our neighbouring farmers in the United States receive similarly large subsidies.

I call to the attention of the House what the Hon. Member for Red Deer (Mr. Towers) recently pointed out, that the western producer must not be impeded, particularly in pursuing exports to the enlarging markets throughout the whole developing world. That will be a tremendous potential market, and to penalize Canadian farmers by not allowing them to reach that market does not make sense, as my colleague has said. Mr. Speaker, the West is not asking for some sort of special concession; it is simply seeking the capacity to compete on equal terms with the rest of the world, knowing full well that international trade is Canada's lifeblood.

● (1200)

By once more harming the aspirations of western Canada, the Government has again succeeded in pitting region against region and class against class. It is tragically fitting that the Minister of Consumer and Corporate Affairs (Mr. Ouellet) should have branded the Crown initiative as the third major initiative since this Government was re-elected in 1980, referring also to the patriation of the Constitution and the National Energy Program. Like its predecessors, Sir, Bill C-155 has divided rather than reconciled.

At one time the Government claimed to have the interests of western Canada in mind. Much was heard, Sir, about the famous Western Development Fund that in 1980 promised $4 billion. Now, of course, this Fund has been relegated to the corridors of oblivion. Only $659 million has been allocated, and allocated primarily for very unimaginative and ad hoc measures. I would like to know what has happened to the Western Development Fund.

On another occasion I will make some remarks about a proposal that I want to bring to the House for a western development council that would be composed of experts on economic and social questions from the four western Provinces and the North. This council could provide a basis for integrated economic and social development in the West that would co-ordinate data from all spheres and could certainly find a just solution to the long standing problem of the Crow so that grain production in western Canada can meet the demands of a world that is in great change.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, it is indeed an honour to have the opportunity to participate in this debate. This issue is a very fundamental and crucial one for the nation, Mr. Speaker, and this is the first chance I have had to rise in the House and address this issue in debate. Clearly I have been preceded by numerous colleagues of mine from the New Democratic Party who have put the case for the western farmers very eloquently and very strongly and have based their arguments upon concepts of social justice.

Much has already been said and there is not a great deal that I can add in terms of detail or even in terms of understanding to this issue, but I still feel that because of the fundamental importance of this issue I should add my words to what has already been said about the Government's efforts to ram through the House of Commons changes to the Crow rate.

I would like to mention briefly, Mr. Speaker, that the Government's efforts to ram changes to the Crow rate through the House has brought about a kind of an alliance, at least for a while, between the interests of people in Quebec and the interests of people in western Canada. The fact that the Government backed away from its original proposals and was forced to change those proposals—and, Mr. Speaker, we expect more changes from the Government—shows the force and the power of a potential alliance between western Canada and Quebec in terms of serving the interest of justice for all people of the nation.

[*Translation*]

I would like to stress, Mr. Speaker, the power of an alliance between the people of Quebec and the people of western Canada. In view of the fact that an alliance would serve the interests of social justice, it is very important to recognize in Canada that it would be easy for both the people of Quebec and of western Canada to work together to find a solution to some very formidable problems and to promote the interests of social justice. I hope, Mr. Speaker, that the House will, through legislation, pursue this objective in other areas, both economic and social.

[*English*]

The fundamental question that faces the House with regard to this legislation is the question of who the Government is listening to. Whose side is the Government on? To whose problems are they paying attention? Clearly there are two groups of people who have put their cases to the Government and the Government is listening to one side only. These two groups are the farmers and the corporate executives of the railways. The Government has clearly put its full weight behind the interests of the corporate executives of the railways. It has decided to serve private corporate interests and to ignore community interests and the needs of many small farmers across Canada. That really tells us what the Government is all about.

Both the railways and the farmers have received subsidies and now it is the farmers who are being asked to give up those subsidies and to pay market value. Where is the proposal to ask the railways to pay market value for the subsidies that they were given in order to build a transportation system in the country? Fairness demands that both groups be treated alike. As long as the railways are allowed to continue to reap the benefits of the enormous subsidies given to them when they were formed, the farmers of the country who are in much greater financial need should be allowed to continue to reap the necessary benefits of the modest subsidies that they have been getting over the years.

This is a question of fundamental social justice. It is one of the principles of democracy in the sense that the purpose of an elected Government and an elected Parliament is to bring public concerns, the concerns of the community, to bear upon legislation and not to ally itself with powerful private interests in the country.

A part of this legislation obviously relates to a question of investment in railway redevelopment. The question that faces the House is, who will pay for that investment? The Government's policy and legislation calls upon the farmers to pay for that investment. It claims that this investment cannot go ahead unless the farmers pay for it. Well, Mr. Speaker, one of the basic principles of investment is that investment, if it is true investment, pays for itself.

The notion that is contained in the Government's proposal is that somehow, if all parts of a transportation system do not pay market value, the investment is called into question. That, Mr. Speaker, is a ludicrous notion. It is a notion that fails to

take into account concepts of sharing. It fails to take into account the fact that that investment must serve the public purpose in the sense of providing service to all communities. For example, if the philosophy behind this legislation was used to run the transit system in Ottawa or the transit system in Winnipeg where I come from, there is no way that transit services could be provided to suburban communities. One must realize that the market value of transportation services within the core, the price per ticket that an individual rider of the transit system should pay, is infinitesimally smaller than that which a suburban user should pay. It only shows that investment must be used to provide service, and if it is real investment it will pay for itself. The purpose of investment, even that which pays for itself, is to provide service for all the community. We must realize that in many situations the rich part of the system has to subsidize the poorer part of it so that all can benefit.

• (1210)

Investment must serve social justice. In this case we call upon the Government to make sure that this investment in railways serves social justice as it affects farmers and not just the private interests of the railway magnates.

It is not only in the case of farmers that investment coming from railways must serve social justice; it must also serve the urban communities in the country. I think of my own community of Winnipeg. If there is to be an enormous investment in railways as the Government has suggested, then I should like to know what plans it has to invest in the relocation of the massive railway yards in the City of Winnipeg out of the City.

I want to know that for several reasons. First of all, if the railway yards are not removed from the centre of the City, they will continue to have a detrimental impact on the neighbourhoods in which the poorest of our citizens live. Very expensive bridges will have to be built which will cut up the inner city neighbourhoods and thus wreak further social injustice. This is not acceptable. Investment must serve social justice, not simply private interests and private property.

Hon. John Wise (Elgin): Mr. Speaker, I welcome this opportunity to make a few comments on Bill C-155 in the brief time allotted to me and also the opportunity to support the amendment which would provide a six-month hoist.

Given the magnitude of the issue before us today and the concerns and problems associated with it, I am sure that everyone, with the exception of the Minister of Agriculture (Mr. Whelan), would agree that it is impossible to deal adequately, from almost any point of view, with any aspect of the Bill.

I want to take the opportunity as well, as some of my colleagues have already, to draw the attention of Members of the House and a good number of people outside the House who have been following the debate closely to the excellent, well-considered and logical response to the introduction of the Bill by my seatmate and colleague, the Hon. Member for Vegreville (Mr. Mazankowski).

There has been much mention throughout the debate of the historical significance of this type of legislation and I agree with those statements. I have the distinct feeling, however, that Canadians generally—even some Canadians in western Canada but more particularly in central Canada and in my Province of Ontario and to a lesser extent in Atlantic Canada—are unaware of the significance of the legislation. I do not think it is an overstatement to say that the debate has the same significance and is as important as the constitutional debate and the debate on the National Energy Program. The result of this legislation, if it is not properly amended, will be as disastrous for the nation and the individual Canadian as that national energy policy.

The Bill was introduced on May 10; second reading debate began on May 12. We argued that the two-day interval was not enough for an adequate study of the Bill and the preparation of a response to it. On May 16 the Minister of Agriculture—not the Minister of Transport (Mr. Pepin)—indicated that he would move closure on second reading debate. The Government had allowed only 10 hours and 50 minutes of debate at that time, although I believe there has been another day of debate since. Until that time only a handful of the 48 Opposition Members from the three prairie Provinces had spoken, although they represent the people most directly affected by the Bill. A lesser opportunity was provided to those of us from other areas of the country.

I do not profess to be an expert on this legislation, Mr. Speaker. We have gone through four stages in the Crown debate in the last year or so. We have had the Gilson report, the Pepin proposals, the introduction of Bill C-155, and finally changes were made to the Bill. Those changes made at each step of the process were never fully explained or rationalized, however. It is no wonder, then, that there is such widespread discontent and dissatisfaction with the legislation.

The original proposal of the Minister of Transport was screened by his caucus colleagues. It is an offence to Parliament that Members of the Government caucus had an opportunity to examine the legislation and make substantive changes, whereas Members of the Opposition were told that their opportunity to discuss it at second reading would be cut off. It is obvious that a dual standard has been applied to the debate.

It is even more offensive that those Members who will be prevented from debating the Bill represent the people most directly affected by it. Parliament is supposed to represent the people, so the people's representatives must be given every opportunity to speak and to be heard.

I also find it interesting, but not surprising, that it was the Minister of Agriculture and not the Minister of Transport who announced the likelihood of closure, or the application of Standing Order 75C to the Bill. The Minister of Transport was available in the House at that time and had just finished answering the questions minutes before. But it was left to the Minister of Agriculture to introduce the motion because the

Minister of Transport was fed up and perhaps somewhat disgusted at the compromises and changes forced on him against his better judgment.

We believe that the distortion of the low freight rates in grain and oil seeds vis-à-vis processed products should be removed and that natural advantages should be retained. The Bill will not achieve that goal. In fact, it will aggravate it. By making a direct payment to the railways it will also further distort existing freight rate inequities and will help prevent further diversification in western Canada. It will cost livestock producers an extra $20 per tonne for feed and that is a very serious problem. Livestock production in western Canada is a significant part of our total farm income.

The livestock sector of agriculture makes up some 40 per cent of total farm cash receipts in Manitoba, 17 per cent of total farm cash receipts in Saskatchewan, and in the large livestock Province of Alberta it makes up some 47 per cent of total farm income.

It is fundamental in my opinion—and I am speaking as a Canadian from central Canada—that western Canada's agricultural base must be broadened and diversified. According to the Minister's own statistics, the distortion will result in a loss of an additional $1 billion in livestock production, an additional $350 million worth of economic activity with respect to processing, packing plants and the feed mill industry in western Canada, costing western Canada some 6,000 jobs.

• (1220)

We believe that grain producers must have a statutory freight rate which preserves the benefit of the Crow and must be protected from that open-ended escalation. Producers will be paying double the existing Crow rate by 1985 and 1986, and an additional $160 million will be taken out of the prairie economy. Producers will also pay five and a half times Crow by 1991 or 1992, which means that more than $1 billion will be lost from the economy of western Canada. With the low level of grain prices today and in the foreseeable future, producers cannot afford the freight rate increases in Bill C-155 at this particular time.

As well, there is no statutory protection for the farmers in this Bill. This protection has been transferred to the federal Government which will pay a frozen amount of $651 million annually, I believe, in perpetuity. We believe that producers should be guaranteed an efficient, cost-effective and reliable grain transportation system in this country. There is no question about that. In this Bill, however, there will not be railway performance guarantees for the first three years. Therefore, Mr. Speaker, the railways for the first three years will certainly receive a free ride.

We believe that the Government of Canada and the railways have a continuing obligation to provide a special low rate to assist producers competing with subsidized grain exports of other nations. Bill C-155 will be taking that away at a time when Canadian grain export competitors have been increasing their assistance to their own domestic grain producers.

The Acting Speaker (Mr. Corbin): Order. I regret to inform the Hon. Member that the time allotted for his speech has expired. The Hon. Member for Spadina (Mr. Heap).

Mr. Dan Heap (Spadina): Mr. Speaker, if it is allowable to have questions, I would be willing to stand down for whoever wishes to question the previous speaker.

The Acting Speaker (Mr. Corbin): No, I should inform the Hon. Member that this time slot does not provide for questions or comments.

Mr. Heap: Mr. Speaker, the debate on this Crowsnest Pass rate clearly means different things to people in different parts of Canada. Many of my New Democrat colleagues have indicated clearly what ruin this Liberal legislation would bring to the grain farmers in Canada's Prairies. I agree with them. However, I speak first of all for the people of Spadina, and I wish to tell this House what the killing of the Crow rate would mean to Spadina people, first, and to Canadians generally.

What do the Spadina people need most? What is the biggest source of worry among us? Jobs. We need jobs, well paid and secure, and in that we are like most of the rest of Canada. There is talk of economic recovery. However, there are far too many desperate people asking me about jobs.

There are jobs to be created in the rebuilding of our railway network, good permanent jobs. According to the proposal of the NDP there are main railbeds and branch lines to be rebuilt to carry heavier and faster trains; there is a double track to be built through the mountains to the Pacific, with tunnels and bridges; there is the Hudson Bay line to be rebuilt; the Thunder Bay yards and port facilities to be renovated; lines across Ontario and the Maritimes to be rebuilt; level crossings in populated areas to be replaced by grade separations—

Mr. Pepin: Let's go, then.

Mr. Heap: I hear the Minister of Transport (Mr. Pepin) saying "Let's go". The trouble is that he gets off that train when it gets to about Manitoba. He does not have plans for renovating the lines east of Manitoba nor even up to Hudson Bay. He has forgotten his own lines.

We must also look into the matter of converting as many lines as we can to the use of electricity instead of diesel. We must build 12,000 grain hopper cars and new passenger trains, and rail service for passengers and freight should be increased rather than abandoned, which is the main preoccupation of the present Minister of Transport.

Will that mean jobs for people of Spadina? Certainly, and for many other parts of Canada. The rolling stock, tracks and other equipment can be manufactured in Canada's industrial cities, and not only steel and metal fabricating but textile manufacturing, furniture making and office supply manufacturing, which we do in Spadina.

All kinds of service work will be stimulated as well as the running and maintenance trades of the railway, which is the occupation of many Spadina residents. However, how many jobs and who pays? That is where the plan of the Minister of Transport fails. He not only plans a smaller program than the NDP, a program which fails to renovate anything east of

Manitoba or in north Manitoba, but he wants to finance his program in a way which would make many Canadians poorer and also destroy many jobs. The Minister proposes to create an average of 38,500 jobs per year over ten years in the upgrading work. He would donate the whole $930 million cost to the railroads and pay for it partly out of general taxation and partly by overcharging the farmers by about five times as much as they now pay to transport their grain to eastern Canada for feed or to the ocean for export. This is monstrously unfair and in fact unworkable.

The Government has for over 30 years been raising the tax burden on working people while it lowers the tax burden on big corporations like the CPR. In 1950 total taxes paid by workers were roughly equal to the total paid by corporations. By 1970 the workers were paying three times as much as the corporations. This year the Minister of Finance (Mr. Lalonde) put through his income tax amendments, over the opposition of the New Democratic Party, which will take $2.5 billion more from workers and small business people and hand it over to corporations like the CPR.

Furthermore, the CPR, the biggest and richest corporation in Canada, has already received over $13 billion worth of gifts in today's dollars from the Government and the taxpayers of Canada in the form of cash grants, land and construction gifts and subsidies for operating and maintenance. The CPR makes over half a billion dollars a year profit. The sum of $13 billion is almost half the deficit which the Minister of Finance keeps holding over our heads, and he wants to give the railways almost $1 billion a year more. That is a rip-off! Beside that, the Gillespie and Canadair scandals are peanuts. That is about $60 a year taken from every working man and woman in Canada in order to increase the wealth and power of the shareholders of the CPR. Furthermore, the Minister of Transport plans to recover some of this fat gift from the western grain farmers. These farmers must export about 30 million tonnes of grain per year, bringing in over $4 billion to Canada.

The agreement made when the Government of Canada paid 60 per cent of the cost of building the CPR was that the railway would transport the grain to the ports for fixed cost. Canada's farmers must compete with farmers of the United States, Argentina, Australia and France, all of which subsidize their grain farmers. Therefore Canadians cannot easily raise our export prices. In fact, during 1975-80 the total income of prairie farmers dropped by 44 per cent while the total income of CP Rail went up by 284 per cent. The farmer simply cannot pay the exorbitant freight rates which the railroads and the Minister are demanding.

If this Crow Bill becomes law, many family farmers will be forced out of business. When their incomes shrink or they are forced out of business, they will have less money to spend on farm machinery and other manufactured goods which they buy from Ontario and Quebec. They would lose nearly $600 million per year, which directly means 20,000 manufacturing and retail jobs will be lost here in the East. Furthermore, if it costs more to ship the grain easterly through Canada than southerly through the United States, we will lose another 35,000 handling and transportation jobs.

What is the reasonable alternative to the Minister's crazy plan? I would say it is the New Democratic Party's plan, which is, number one, to keep the Crowsnest Pass rate for grain, and number two, to make the CPR reinvest its profits, made with public subsidy, in upgrading the railway which it solemnly promised to keep running. It must be compelled by law to maintain the level of reinvestment of 1981, which would be over $800 million this year, rather than exporting its profits to buy factories, railroads and real estate in other countries. In this way we could create 10,000 more jobs per year than under the Minister's plan. Thirdly, our plan would pay the proven cost of subsidizing grain hauling, which might be $380 million in 1983, out of Canadian taxes.

• (1230)

Mr. Pepin: That is the point; charge it to others. Make it $2 billion by the end of the decade.

Mr. Heap: This is less than the federal Government pays to subsidize road, air or marine transport. Number four, we would invest $550 million per year in renovating the railroads, and in return take equity or ownership in the CPR. In a few years the Canadian people would own and control the CPR, which we have already paid for so many times over.

This NDP plan keeps the Crow, keeps the grain moving through Canada, keeps the farmers from going broke, reduces the tax burden on working people, employs more workers than the Minister's plan, and gives the Canadian people ownership of what we pay for. That is good for the people of Spadina and good for the people of Canada.

There is a question still hanging: Why does the Minister push his plan to kill the Crow? Maybe he likes to increase the wealth of a handful of people. When he announced his plan to kill the Crow rate, the value of CPR shares jumped overnight by $134 million plus, and in a month had risen by over $447 million. Why? Perhaps because of the fat giveaways the Minister promises at the expense of farmers and other ordinary taxpayers. Perhaps because of $644 billion worth of coal in the 50,000 acres of coal-bearing land in southern B.C. This coal is locked up as a reserve under the Crows Nest Pass Act. Fording Coal Company next door, a subsidiary to CPR, cannot get its hand on that immense profit unless the Minister can repeal the Crows Nest Pass Act, which is his principal objective in this legislation. Under those circumstances, Mr. Speaker, repeal of the Crow's Nest Pass Act, or this Minister's legislation to kill the Crow, would be the biggest rip-off and crime any Canadian Government has ever engineered against the working people and ordinary taxpayers of Canada. I say, stop it!

Hon. Steven E. Paproski (Edmonton North): Mr. Speaker, at the outset I would like to take this opportunity to congratulate my colleague, the Hon. Member for Brandon-Souris (Mr. Clark), who made his maiden speech today. I think he did a marvellous job in telling the people of Canada just exactly what happened in that election campaign. The reason he won

such a large majority was because of this Minister and the Crow rate.

Let me say that I have a lot of respect for this Minister, the Hon. Member for Ottawa-Carleton (Mr. Pepin). He is such a kind person, yet he does not care about the West.

Mr. Smith: How can you sleep at night?

Mr. Paproski: I do not think it is really him; I think it is just the Liberal Party that does not care.

Some Hon. Members: Hear, hear!

Mr. Paproski: It is a heartless Party which does not really care what happens west of the Manitoba border. You people should be ashamed of yourselves.

Mr. Prud'homme: Where were you in 1968, Steve?

Mr. Paproski: I have had many calls in Edmonton from entrepreneurs who go through these different communities and towns and all they talk to me about is the Crow rate. These are people in my constituency, and I have an urban riding, who ask what the Government is doing. By doing what the Government is doing to the Crow rate, it is ruining the country. We in the West fear there will be many ghost towns all over the West.

The Bill must be changed from its present form; that is why we oppose the Bill. We do not know what its impact will be in towns and communities, particularly in the West. We do not know whether the Government will irrevocably alter this Bill. We do not know the nature and extent of any changes. For example, my colleague, the Hon. Member for Assiniboia (Mr. Gustafson), quoted a calculation made by the Town Council of Gravelbourg in his riding which estimated that changes to the Crow would cost each Saskatchewan farmer $8,500 by 1990. Can you imagine that, Sir? That would mean an outflow of over $1 million per year for Gravelbourg alone. What will this amount of capital outflow mean to towns and villages all over the West? It is incredible. I cannot believe what this Bill is going to do to many of our communities in the West. How will they survive? How will they pay for the infrastructure and services they must provide, such as schools, hospitals and roads?

Oh, the Minister says double tracking. Big deal! Double tracking, fast tracking; we have heard that here for ten years. Every time the Prime Minister (Mr. Trudeau) goes into an election he says they are going to twin this, twin that, do this or do that. We are still waiting for that highway to the Yukon, the Alaska Highway, which he said he was going to pave way back in 1974. I do not know who you are going to have, maybe blue-eyed Turner next time, and what is he going to twin?

Mr. Turner: You are talking about my uncle; be careful!

Mr. Paproski: Well, there is the whip. He likes you, whippy, over there. It is all right, you are going to be back. But there are a few of you under our new leadership who will not be back. The country will see the light.

The Acting Speaker (Mr. Corbin): Order. The Hon. Member should address his remarks to the Chair.

Mr. Paproski: I really am sorry, Mr. Speaker. I get a little excited or emotional. We are still sort of hung over from the euphoria of our convention. The polls will be 55 per cent next month.

Some Hon. Members: Oh, oh!

Mr. Paproski: This legislation would permit the railroads to offer incentives to farmers to bypass local elevators and truck their grain to the main lines. What effect will this have on the small town whose existence revolves around the elevators? Where will the elevator operators find jobs? How are farmers going to bear the increased costs once the statutory rates are abolished? Producers will be paying double the existing Crow rate by 1985-86, and in addition $160 million will be taken out of the prairie economy. Farmers will pay five and a half times the Crow by 1991-92, which means that more than $1 billion will disappear from western Canada. How many farm bankruptcies will result? How many people will be displaced? Where will they go? Where will they find jobs? How many towns will die? Are we going to have towns whose entire population, the forest service, the utility company, the post office and liquor store, will disappear? Is that going to be the community profile of the West, decaying little towns? We should really have magnifying glasses and sunshades here because of the heat in the House.

We do not know any of the answers to these questions and the Minister has not provided us any answers. Neither has Mr. Gilson. But we do know the serious flaws of this Bill. First, we believe the freight rate structure will provide for open ended escalation without any consideration for farmers' profit position on the value of grain. The Minister has mentioned a safety net provision but has not provided any details. Second, the grain farmers will have to pay the full Crow rate whenever grain movement exceeds 31.5 million tonnes. This represents a disincentive for farmers to grow more grain and increase production.

Mr. Rossi: Who wrote that speech?

Mr. Paproski: I did. The Bill includes new crops and specialty crops. The Minister has mentioned that some speciality crops are included but again he has provided no details. One would think that some Hon. Members who are out there in urban ridings do not know what the farm community really wants and what it requires. I just want Hon. Members to know that after one has been here for 15 years, one wants to ensure that one's speech is logical and one just carries on and carries on making sure that Hon. Members opposite understand what is going on.

• (1240)

Mr. Rossi: We understand very easily.

Mr. Paproski: The Bill is extremely complex and bureaucratic, as my colleague, the Hon. Member for Vegreville (Mr.

Mazankowski), pointed out. It might have been drafted by the same people who brought down the Income Tax Act.

Mr. Rossi: Have you read it?

Mr. Paproski: We think it is wrong to impose higher costs on the agricultural community just when farm community prices are declining and farm input costs are increasing.

I hope, Mr. Speaker, that because of the interjections you will give me a little more time. I will feel neglected if I am to be cut off.

Some Hon. Members: Oh, oh!

Mr. Paproski: The Bill would discourage diversification and further processing of agricultural production in western Canada. There is no provision in the Bill to reduce rates if costs should fall. It is the same trap as the energy agreement. The Bill concentrates power in the hands of the Minister, the Minister sitting opposite, that heartless Minister, the Minister who does not care.

Mr. Smith: He's a nice guy.

Mr. Paproski: There will be no railroad performance guarantees for the first three years. For three years, the railroads will get a free ride.

The Government should consider the context in which it is attempting to rush through such a complex and flawed piece of legislation. First, it must understand what the transportation system represents in the West. The Crow rate is the heart of the West. Someone said it is the Magna Carta of the West. If the Government takes that away, it might as well take away the second language, the official language. If that is done, that is exactly what it will represent. The gentlemen opposite from Quebec understand. They want to be "*bilingue*"; we want the Crow rate in the West.

Mr. Rossi: Talk to Stewart, from Simcoe South, about "*bilingue*".

Mr. Paproski: It is not just a method of moving goods and people. It is not just a double line steel or a length of asphalt traversing the prairie. The railroad, the highway and the river—these are frequently the reasons many of these towns exist. They determine the location, activity and well-being of the towns and villages. They represent a means of communication and the lifeline for the provision of goods and services and commerce. If the Government destroys those transportation networks, it destroys the towns and villages which make up much of western Canada.

Second, the Government must understand what a critical time this is for farmers. The amount of bankruptcies and the high costs are unbelievable. We are feeling the pinch there right now that Hon. Members opposite felt right here about a year and a half ago. The Government must understand what a critical time this is for farmers. I said that, and I repeat, repeat and repeat: please do something for them.

The Acting Speaker (Mr. Corbin): Order.

Mr. Paproski: Their costs have escalated rapidly in the past few years.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member. The Chair did extend further time to the Hon. Member for the interruptions.

Some Hon. Members: Continue.

Mr. Paproski: May I?

The Acting Speaker (Mr. Corbin): Is there unanimous consent to allow the Hon. Member to continue his remarks?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Corbin): It is agreed.

Mr. Smith: No, no.

The Acting Speaker (Mr. Corbin): There is not unanimous consent.

Mr. Paproski: David Smith, you will regret it.

Mr. Smith: We want to get this Bill through.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I have been delaying my remarks on this part of the debate, waiting for the Minister of Agriculture (Mr. Whelan), who is a spokesman for a very important part of this policy change—

Mr. Paproski: Don't hold your breath.

Mr. Althouse: —to make his speech. However, when he did deign to stand in his place in this House, all he could do was introduce time limitation under Standing Order 82. This is a very important debate for all of the Canadian people, not only those in western Canada. A great many aspects can be and must be addressed. That is why we have put forward the amendment which we are now discussing to delay the subject matter being introduced in the House for another six months, so that people may have adequate time to analyse, assess and debate what is proposed here.

Today I will deal only with the aspects of the proposal involving agriculture, because it seems that what we have here is a very consistent move, which has been often demonstrated by the Minister of Agriculture and some of his predecessors, of attempting to create economic activity in Canada by making some farm investment redundant in order that new farm investment can be created in another region or agricultural sector. That is basically what is being proposed here, a proposal to change the economics of a production base in one part of the country, with the hope that another sector will gain an advantage and there will be some economic activity created from that advantage.

We saw this kind of activity ten or 15 years ago when the feed grain policy changed. The effect was to sell domestic feed grains at a lower price than the Wheat Board was charging users. The net result was a vast shift in feeding of livestock, particularly pork, from west to east.

If one listens to some of the proponents of the policy, one finds that Bill C-155 is designed to take some of that livestock production back to the West by increasing the cost of grain in the East and reducing it at the farm gate to the producers in the western part of Canada. Therefore, it is sort of redressing a policy move which created hardships for western Canadians ten or 15 years ago.

The net effects of this particular move on agriculture would be, by the end of this decade, to increase the amount of money coming out of the pockets of farmers of western Canada by $1 billion. To put that into perspective, we must realize that the net farm income for all farmers in Canada runs at about $3.5 billion, so we are discussing a reduction of almost one-third of the net farm income. When one considers that a little bit and realizes that only one-third of the farmers reside in western Canada, one finds that a very great burden will be placed on that important part of the agricultural economy.

As I said, the net income last year amounted to $3.5 billion. We are not discussing a net income which has been rapidly increasing; we are, in fact, discussing a net income which has been extremely stable. If one looks back as far as ten years ago, 1973, one sees that, by golly, we had a net farm income of $3.5 billion. It has varied almost not at all in ten years, yet in that time costs, including costs of living, have more than doubled; so the injustice will be compounded by this particular proposal.

The Government is taking a particular group comprised of farmers, who have not had increases in farm income, who have been stable, who have faced increases in costs as great or greater than the rest of the economy, who have suffered less than half the real net farm income over the last ten years, and it is asking them to give up another $1 billion of net farm income. It is asking them to cut it by at least another third. We think that is patently unfair and should not even have been considered. I am surprised that the Minister of Agriculture can stand in his place and simply cut the debate off rather than contributing to it and explaining why he is doing this to the farmers of eastern and western Canada.

Mr. McKnight: He's a terrible man.

Mr. Smith: He's a nice guy.

Mr. Jarvis: That's about all you can say for him.

Mr. Althouse: I think that if the Minister of Agriculture and some of the other Ministers in the Government had looked at the economics of their proposal, they too would have had second thoughts and would not have introduced such a proposal today.

The Minister of Transport (Mr. Pepin) has been trying to put a good face on it. He has been saying that with this proposal the railways will be investing the increased money that they will be receiving from the farmers, the $1 billion by the end of the decade. He is saying they will be investing that in more plant and equipment and that that investment will create a multiplier effect of approximately 2.1. He is suggesting that as that $1 billion works its way through the economy it will become something just over $2 billion in gross national product.

• (1250)

However, he forgets that, as a result of pulling that $1 billion of net income from the pockets of farmers, he is doing even more harm to the economy than the good which he alleges. The multiplier effect of that $1 billion which he is taking from the farmers would have injected a minimum of $3.5 billion to as much as $7 billion into the total economy of this country. This program, as it affects farmers and manufacturers of railway and machinery products, decreases the net gross national product of this country by anywhere from $1.5 billion and $3.5 billion. This takes place at a time when the Government is trying to restore growth and offset a recession. At this time it is pulling money out of the economy by taking money from the small farmers who are the engine of growth to a large part of this country. I would remind the House that farming is the engine of growth for close to 30 per cent of employed Canadians. Those people are helpless without the farmers.

This program not only affects the prairie economy but the entire Canadian economy. It affects the Maritimes and Quebec economies and the part of the economy which provides the goods and services to agriculture, such as those who manufacture tractors. Virtually every combines and tractor manufacturing plant that is left in Canada is in trouble. The latest plant facing receivership is the While Farm Equipment plant in Brantford. The problems of Massey Ferguson are very well known. How will those companies recover even with further financing and careful management while in receivership if there will no longer be a demand for tractors and combines as a result of a reduction of $1 billion in the net income of farmers?

Farmers almost always buy farm machinery with bank loans. The banks take a very dim view of continuing to lend money to farmers when they do not have an adequate income level. We are on the brink of a great disaster because of increases in farm debt and the rising number of bankrupt farmers. The banks are taking a dim view of continually lending money to farmers simply to keep them operating.

In summary, let me say that Government Members have made a great issue of the fact that since this policy is 86 years old it must certainly no longer have any validity. I point out to those Members who have made that argument that simply because it is an 86-year-old policy does not mean that we no longer need this transportation policy to maintain the nationhood of this country.

This policy does not affect the distances involved because our geography has not changed in 86 years. Our farmers still have further to travel to ocean shipping than any other country. It does not address the problems of competing in a world market against all of our competitors who are receiving Government subsidies directly from their treasuries.

Hon. Bill Jarvis (Perth): Mr. Speaker, I rise to participate in the debate on the amendment not necessarily as a Member from a rural riding in Ontario, not necessarily from my specific riding, but as a Member of Parliament from Ontario to speak from a provincial point of view.

I think it is very important that all Members speak from that regional point of view. I compliment many of my colleagues from the Maritimes, British Columbia and all parts of Canada for having done so. In passing, I might say that I am disappointed and a little surprised that I have not been the beneficiary of the viewpoints of NDP Members from British Columbia. I believe there have only been one or two British Columbia NDP Members who have participated so far. I am very anxious to hear that viewpoint.

Mr. Orlikow: They will be here this afternoon.

Mr. Althouse: That is a third of them. A third of yours have not spoken.

Mr. Jarvis: I said that very kindly; I did not say it disparagingly. I want to hear that British Columbia viewpoint as far as the NDP caucus is concerned. I believe I have a right to hear it. If that will upset people, I will not dwell on it any longer.

I wish to deal specifically with the amendment that would permit me, as an Ontario Member, a reasonable length of time to discharge what I believe is my responsibility to explain this legislation. I am not concerned about dotting each "i" and crossing each "t" but I want to have the time to explain to my constituents the regional interest that is a very major part of this Bill.

I believe many of us in Ontario have long forgotten that the birth of the Crow rate resulted from the trade between industrialized central Canada and the great grain-producing areas of western Canada. Therefore I would like to have some time to remind my constituents of that fact. The purpose for seeking more time is not necessarily to gain their support for my position or that of my Party but to discharge my responsibility to explain regional views.

I hope that I strike a responsive chord in the Minister when I say that I am proud to join with two other colleagues in spending three sessions a day on the Special Joint Committee on Senate Reform. Our objective is not simply to reform the Senate but to reform it in a way that will enable the Senate to represent regional views. I feel very deeply about that goal without having any preconceived notions for the mechanism of accomplishing it.

It is surprising that two matters are frequently raised at those hearings as examples of what is needed in our process. This particular Bill has been raised by senators, academics, lawyers and other witnesses who have come before us. Another subject which is continually raised is the Pepin-Robarts Report, which is a coincidence since the Minister happens to be the Minister responsible for this legislation.

Flowing from that report and others, we have been told over and over again that we have to find mechanisms by which people in the regions would at least feel that their views were expressed as part of the process. The last Senator Lamontagne, as the Minister well knows, made great contributions in this area. People do not necessarily want their views to represent the final decision because I think they will sometimes accept decisions as long as they believe they had a voice in making that decision.

I do not wish to be patrionizing but the Minister responsible for this legislation and one of my closest and dearest friends and political mentor, John Robarts, have contributed a great deal to the initiation of the process in which I am now playing a very small part.

I would like to have six months to deal with the Crow. I cannot go to my constituents this weekend because they are very busy. I will participate in the main motion. I intend to send out approximately 25,000 copies of my speech in which I wish to explain the regional interest, its depth and the socio-economic and cultural aspect of the Crow rate. While all 25,000 copies may not be read, I hope that I will at least have discharged my responsibility as an Ontario Member to point out that this Bill concerns a regional interest. We cannot always do this on the floor of the House of Commons. We can express our views aggressively and helpfully in caucus and when the caucus decision is made one must go along with the Party. I am proud that I have always voted with my Party but I would like to be able to send a speech to my constituents which states that this is a regional interest in western Canada which we, as fellow Canadians, must understand.

May I call it one o'clock, Mr. Speaker?

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

NUCLEAR ARMAMENTS

MR. ALLMAND—EXPLANATION FOR VOTE ON ANTI-WEAPONS TESTING MOTION

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Madam Speaker, on Tuesday I voted for the Cruise missile resolution, but did not get recognized during the debate to explain my position and vote. I would like to do that briefly now. On Tuesday, in voting for the resolution, I voted against the escalation of the nuclear arms race by any nation, and in particular against the testing of the Cruise missile in Canada. I did so because both sides now have enough nuclear power to

destroy completely—annihilate—the other side and the Cruise missile is in no way necessary to maintain the balance of power and deterrence.

In my opinion the development of the Cruise missile will only escalate the nuclear arms race, set back disarmament discussions, and divert scarce resources from more essential needs.

I argued this position at the Liberal convention last autumn and in many other meetings and writings. There is nothing in the NATO agreements which requires Canada to use or test nuclear weapons. We have been a member of NATO since the beginning and have never done so. Furthermore, Canadian Governments for some time have been committed to arms control and disarmament. If we agree to test the Cruise, we would run contrary to these policies. I want to urge the Government to consider seriously all factors and arguments before agreeing to the Cruise tests. There are many other ways in which Canada can contribute to the NATO alliance and help maintain world peace.

* * *

THE PAPACY

POPE'S VISIT TO POLAND

Mr. Walter McLean (Waterloo): Madam Speaker, today His Holiness Pope John Paul II begins his second pilgrimage to Poland in four years. The excitement of the new freedom recognized under the Solidarity trade union that surrounded his last visit is, however, regrettably absent.

In June of 1979 the Poles could justifiably anticipate a nation without restrictions, but today their prayers are for the most basic freedoms.

The Pope's presence in Poland at this time has an important symbolic message. This Christian ambassador is pressing for the end of martial law, and amnesty for political prisoners. The military government under General Jaruzelski, however, has permitted the visit only to gain points in the West, and to stifle further dissent at home. Yesterday the home of Solidarity leader Lech Walesa was raided by the Polish authorities and he was placed under house arrest. Preventing Walesa from seeing the Pope may be General Jaruzelski's only means of asserting his authority over discontented Poles, but this action will leave a lasting impression on the West.

We, as Canadians, deplore the disregard for human rights that has been demonstrated in Poland since 1979. We are inspired, nevertheless, by the Pontiff's leadership and courage in returning to his troubled homeland. We pray that his visit will underline our hope for the return of a free political system in Poland.

Some Hon. Members: Hear, hear!

LABOUR RELATIONS

WEST COAST GRAIN HANDLERS' DISPUTE

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, a possible work stoppage on the West Coast caused by the dispute between the grain handlers and grain companies would hurt many more people than the workers directly involved. It could penalize grain producers by disruption in cash flow, and cause possible losses in grain sales. The railway workers and longshoremen would also be penalized because they could be laid off if movement of grain stops. The least penalized by a work stoppage are among the main antagonists, namely, the grain companies. The grain companies are not penalized because they go on collecting storage charges even while grain is not moving. Across the country last year they collected about $500,000 a week in terminal charges alone.

The Government has a responsibility to do everything in its power to keep grain moving. We thank it for appointing a mediator, William Kelly. To minimize the possibility of long and costly work stoppages the Government should take some action to equalize the penalties that stoppages cause. The Government should stop the payment of storage charges to grain companies which are partially responsible for a dispute. Such action would put both antogonists on an equal footing and no doubt reduce losses for everyone from prolonged work stoppages.

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[*Translation*]

NATIONAL PARKS

POSSIBLE DEVELOPMENT OF SAGUENAY PARK

Mr. Marcel Dionne (Chicoutimi): Madam Speaker, I would like to congratulate Parks Canada on acquiring the Mingan Islands and thus demonstrating that it is preserving exceptional natural sites for future generations. Perhaps I may point out to the House that the Saguenay Park site in my riding has also been judged worthy of preservation by Parks Canada. The Right Hon. Prime Minister (Mr. Trudeau) has announced that the Canadian Government is prepared to spend $50 million to develop Saguenay Park. Since Quebec has refused to divest itself of the land, the development of Saguenay Park by Parks Canada, which would cost $50 million, is still pending. Meanwhile, the Government of Quebec has decided to invest in the development of a conservation park on part of the land. Premier Lévesque made much of the national pride of the people of the Saguenay, but the fact remains that a $50 million investment would help reduce unemployment and attract more tourists, which in turn would inject more money into the regional economy. The Saguenay region has no substantial infrastructure for tourism. Saguenay Park, with its majestic fiord, would be one of the major tourist attractions of Canada, thus making the people of the Saguenay even prouder of their region.

[*English*]

TRADE UNIONS

NECESSITY TO ENSURE FAIR SEAFARERS' INTERNATIONAL UNION ELECTIONS

Mr. Joe Reid (St. Catharines): Madam Speaker, the recent election for the office of President of the Seafarers' International Union of Canada was the first contested election for that office since the present incumbent took office over ten years ago. Events leading up to that election, and since, point out the necessity for changes that must be made to the Canada Labour Code to guarantee standards of democratic conduct within unions.

Suspension of membership in a union where jobs are awarded through a union administered hiring hall is in effect a dismissal of employment. The Canada Labour Code does not prescribe what must be done to ensure the holding of a fair election, nor does it say what can be done about election frauds.

Action taken by the Seafarers' International Union following this election has been a discredit to the whole union movement, and has brought the SIU into disrepute to a greater degree than what was done by the sailors who were charged.

The federal Minister of Labour (Mr. Caccia) should act immediately to propose amendments to the Canada Labour Code to entrench democratic rights within unions so that it will not be an occupational hazard to challenge a union leader or to support a challenger in what is a generally considered acceptable democratic process.

If Governments can certify unions and grant them monopoly bargaining rights, then they must set out minimum standards of democratic conduct by which unions must operate.

* * *

EMPLOYMENT

JOB-CREATION PROGRAM FOR THE DISABLED AND THE HANDICAPPED

Mr. Stanley Hudecki (Hamilton West): Madam Speaker, a federal job-creation program for the disabled and those with employment disadvantages has been so popular that funding for it became exhausted shortly after it began this year.

The Program for the Employment Disadvantaged, PED, was established to offer subsidies to employers who hire disadvantaged and disabled workers for periods ranging from nine months to 65 months. The PED funded jobs for 338 Hamilton residents, but has come to an abrupt halt because the $860,000 set aside for the Hamilton area has run out and no additional funding is currently planned. Without PED funding, however, many handicapped and disadvantaged workers will not be hired by employers.

Since the funds were allocated in April, the Program has simply taken off and, even though the funds have run out, some employers have been put on hold for possible funding while others have hired workers on the basis that more funds will be added to PED and employees could be subsidized

retroactively. The PED is one of the best programs for the difficult to employ that the federal Government has ever presented. Priority should be given to this Program should further funds become available.

* * *

• (1410)

HUMAN RIGHTS

COMMEMORATION OF HUNGARIAN REVOLUTION—BURIAL SITES OF EXECUTED PATRIOTS

Mr. John Bosley (Don Valley West): Madam Speaker, today is a special day for Canadians of Hungarian origin. All Members have received material asking us today to remember especially what has become known as the case of the "Unknown Graves".

Following the 1956 Hungarian revolution, hundreds of the participants in that event were executed. The remains of the victims, among them the Prime Minister and Minister of Defence of the legal Government during the revolution, along with scores of teenagers hanged on their eighteenth birthday, have been buried in unmarked graves whose location is known only to the authorities. Repeated appeals by relatives to recover the bodies or gain permission to visit the graves have failed.

The consistent refusal of the Government in Hungary to reveal the location of the places of burial causes concern, not only here in the West but in Hungary as well. The rights of those whose family members were executed for their participation in the revolution ought to command the sympathy and sincere concern of all those who have also lost relatives in times of turmoil and adversity.

Given its obligations under the Helsinki Final Act, it is mandatory that the Government in Hungary uphold its humanitarian commitment to those survivors. I, and I am sure Hon. Members of this House, want to urge the Government of Hungary to adhere to the principles of human rights embodied in the Helsinki Accords. Allowing the families of those executed to visit the graves and/or to recover the remains of their relatives is only simple elementary human justice, already denied far too long.

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NATIONAL DEFENCE

CRASH OF STARFIGHTER IN FRANCE—DEMAND THAT REMAINING PLANES BE GROUNDED

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I am certain that everyone in the House is aware by now that today another of Canada's C-104 Starfighters has crashed. The latest crash occurred in a small village in northern France. Fortunately nobody was injured.

This latest incident only serves to underline the clear need to ground all of Canada's Starfighters until such time as a

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thorough public investigation has taken place and these aircraft are judged to be totally safe and air worthy. There is a constant reminder that more than 600 of the 1,900 produced have now either crashed or been removed.

Three weeks ago there was a crash resulting in the deaths of five civilians in West Germany. There have been numerous other examples of difficulties with this aircraft. The Minister promised to produce a record of the air accidents in which these fighter aircraft have been involved, to this House. We would like to know where that is. The results of crash examinations must be made public and studied by a committee of this House. If the Minister had heeded earlier warnings, grounded these aircraft and made operational changes to them, the crash today might not have occurred.

The Minister's response at the time was to accuse others in this House of trying to make a tragedy out of the situation. This is now a complete scandal and must be dealt with quickly and appropriately. There must be a grounding of these aircraft. There must be a public investigation of the matter as soon as possible.

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[*Translation*]

MARINE RESOURCES

THE MAURICE LAMONTAGNE INSTITUTE

Mrs. Eva Côté (Rimouski-Témiscouata): Madam Speaker, this morning, we paid our last respects to Senator Maurice Lamontagne, who died early this week.

The Government was represented by the Hon. Minister of Finance (Mr. Lalonde), who spoke about Senator Lamontagne's exceptional record as a politician and as a university professor to whom all of us owe so much. He also announced that the research institute of Fisheries and Oceans Canada, to be located in the Lower St. Lawrence region, near Mont-Joli, where Senator Lamontagne was born, will be called the Maurice Lamontagne Institute.

On behalf of the people of my riding, Madam Speaker, I would like to thank the Hon. Minister of Finance, acting on behalf of the Government on this occasion, for the Government's gesture in recognition of the exceptional services rendered by Senator Lamontagne to all Canadians.

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[*English*]

FISHERIES

REGULATION OF NORTHWEST TERRITORIES FISHERY

Mr. Dave Nickerson (Western Arctic): Madam Speaker, in a judgment dated May 13, 1983, the Supreme Court of the Northwest Territories struck down Section 22 of the Northwest Territories Fishery Regulations, finding that the provisions contained therein discriminated against certain Canadians on the basis of race and were, therefore, in contravention of the Canadian Bill of Rights. In order that fisheries officials maintain some reasonable degree of jurisdiction over the fishery for conservation purposes, it is important that new regulations be drafted without undue delay.

Although the possibility exists for the Fisheries Act to be amended so as to legalize the present Section 22 of the Regulations made thereunder, this would be seen as being contrary to the spirit and quite possibly to the letter of the Canadian Charter of Rights and, therefore, is not to be considered a preferred option. What is required is a set of workable regulations which, while respecting treaty and like contractual obligations, treats all participants in the domestic fishery on an otherwise equal basis.

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

CANADA DEVELOPMENT INVESTMENT CORPORATION—REQUEST THAT AUDITOR GENERAL BE APPOINTED TO AUDIT ACCOUNTS

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, my question is for the Minister of National Revenue. At the very same time as the Government is defending record losses with Canadair and de Havilland, it is moving to create the grand-daddy of all Crown corporations with the Canada Development Investment Corporation. In order to ensure that the sort of fiasco which took place with Canadair and de Havilland, with Parliament being kept in the dark, does not repeat itself with CDIC, will the Government agree that Parliament's auditor, the Auditor General of Canada, should be appointed as the auditor of the Canada Development Investment Corporation?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member knows perfectly well that the Minister responsible for this corporation has said that this possibility was still being considered by the Government, and that as soon as the Government reached a final decision, that decision would be made public.

[*English*]

REQUEST THAT CONTRACTS OF PRESIDENT AND CHAIRMAN BE TABLED

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, the Government cannot decide whether to give the Auditor General the job, but it decided to give jobs to some of the boys, Joel Bell and Maurice Strong. Will the Minister agree to table in the House of Commons the contracts of Maurice Strong and Joel Bell so that Members of Parliament

and the public will know how much these individuals are being paid, and the terms of their contracts?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think there is ample opportunity for discussing such questions in committee, where the issue is now being examined.

[*English*]

QUALIFICATIONS OF PRESIDENT

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, it is typical of this Minister that he is incapable of even making up his mind whether to make those contracts available to Parliament. One of the justifications that have been given for CIDC was that it would improve the management of the various Crown corporations. What exactly are Joel Bell's private sector qualifications which make him qualified to head the largest holding company in Canada? What exactly has been Joel Bell's experience with private sector business?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, Mr. Bell's experience in the business world has been very wide-ranging, and I am sure he is entirely capable of achieving the Government's objectives with respect to the renewed viability of Canadair, de Havilland and other corporations.

[*English*]

DE HAVILLAND CORPORATION—FORECAST OF FURTHER LOSSES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is directed to the same Minister, who undoubtedly noticed yesterday that the de Havilland Aircraft Company, another subsidiary company of the Government, lost some $265 million. In a most ominous tone the reporting Minister indicated that the new Dash-8 program is already facing difficulties. Apparently we are going to be required to pick up still greater losses with respect to that program. Will the Minister tell the House of Commons what will be the extent of these losses, and are we sure this time we know what we are doing?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I may remind the Hon. Member that when the Minister responsible made those statements yesterday, he also indicated to Members of the Committee and to the general public that by the end of this year, the Canada Development Investment Corporation would be submitting complete development strategy for the de Havilland, and we shall then know what the objectives are and the financial resources required to carry out this strategy.

[*English*]

AMOUNT OF GOVERNMENT SUPPORT

Hon. Sinclair Stevens (York-Peel): Madam Speaker, the Minister must know, as the rest of us know, that we are being asked to pass on various appropriations and subsidy arrangements for de Havilland today. We should not be required to wait for months into the future to learn the facts. Would the Minister indicate what the reporting Minister meant when he said that there was not the same degree of Government support going into de Havilland that officials of certain other countries are giving competitor companies in their various countries? Is $265 million indeed of so little significance to the Government that it would be bold enough to say that that is not significant support for a subsidiary owned by the people of Canada?

• (1420)

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think the comments made by the Minister responsible can be explained quite simply. We must consider the fact that after all, de Havilland has developed four major aircraft, which are the Twin Otter, the Buffalo, the Dash-7 and the Dash-8, and it was able to do so thanks to federal funding. It is a fact, and I have cited this example several times, that many countries develop civilian aircraft on their defence budgets or on the budgets of their own State airlines. This is what the Minister responsible was referring to when he said that in other countries, for instance, that develop certain prototype aircraft, costs are not as visible as they are here, because they do not appear on the books of the company that is doing the developing.

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[*English*]

ENERGY

SALES OF WESTERN COAL IN CENTRAL CANADA

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. As he is aware, western Canadian coal producers export approximately 15 million tonnes of coal per year. At the same time, central Canadian markets import approximately 16 million tonnes of coal per year from the United States. The fact that we are only supplying a small amount of Canadian coal to central Canadian markets is costing the Canadian economy about $1 billion per year and 30,000 jobs.

Would the Government be willing to initiate studies to support the use of Canadian coal, thus reducing outflows of Canadian capital, creating jobs, and stabilizing an important Canadian industry?

[*Translation*]

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, this has been a problem for a long time. Coal consumers in Ontario, with the main consumer being Ontario Hydro, have adopted a policy that favours importing coal in Ontario for use in that province. The cost of bringing coal in from British Columbia by train would apparently be too high to maintain the fuel's competitive position for the production of electric power and other uses in Ontario. Since the Hon. Member has asked me to look into the problem, I certainly intend to discuss this question with my colleague. In fact, I think the Hon. Member would probably be able to further his case considerably—

[*English*]

If the Hon. Member would like to look at the real problems we are having in Canada and decide to vote for changes to the Crow rate, he will help alleviate that situation.

REQUEST FOR COST STUDY OF COAL USE

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my supplementary question is also directed to the Minister of Energy, Mines and Resources as I do not want him to divert from his very, very important question. The fact remains that at the present time we are supplying four million tonnes of coal a year from western Canada to central Canada, so it can be produced effectively. Could the Minister examine the comparative costs of using this coal, including the environmental costs, and could he also look into the advantages of blending Canadian coal, as is done in Japan, to meet the specific requirements of different plants in central Canada?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I am informed that some coal has been imported from British Columbia to the East in small quantities. With Canada's present rail capacity we could not transport all of the coal plus the wheat and other commodities. The best way to achieve what the Hon. Member has in mind is to have a good railway system, and in order to have that, the Hon. Member has to change his mind, be responsible, and vote for a change in the Crow rate.

SULPHUR CONTENT OF UNITED STATES COAL—ENVIRONMENTAL IMPACT

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of the Environment who, I am sure, is interested in the impact of burning high sulphur content United States coal which has eight times the sulphur content of good quality western Canadian coal. What steps has the Minister of the Environment taken, in light of the fact that half of the acid rain emissions in Canada are a result of coal burning in Canada? Has he undertaken any studies? Has he put any pressure on any of the companies to use good quality clean Canadian coal instead of dirty American coal?

Hon. John Roberts (Minister of the Environment): Madam Speaker, we do have regular discussions with provincial Governments about the kinds of coal strategies and limitation orders which would be required to meet our objective, which is the over-all reduction of sulphur dioxide emissions in eastern Canada by 50 per cent by the end of the decade. We recently met with provincial Governments and discussed that very subject. I expect that, within a few weeks' time, we will be able to deliver to the Hon. Member and to the House in general the kind of control strategy which would meet the objectives that our scientists tell us are needed if we are to meet safe sulphur dioxide emission levels. Within that context, I think that the question raised by the Hon. Member has been answered.

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SOCIAL SECURITY

NEEDS OF ELDERLY POOR—GOVERNMENT POLICY

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, my question is directed to the Deputy Prime Minister. In the past couple of days the Government has forced the Canadian people to pay out $300 million to Canadair and de Havilland in order to cover their losses. That is the priority of the Government. But the Minister of National Health and Welfare has been saying for some time, as she said the other day in committee, that the first priority ought to be finding $300 million to alleviate the plight of the elderly poor.

I would ask the Deputy Prime Minister why preference is being given to de Havilland and Canadair over the needs of the elderly poor, the people who have to get by on less than $500 a month.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, it has been frequently stated by the Government that, in the field of social policy, the first priority would indeed be to assist the elderly poor, particularly single persons who are most affected by the present system. That still remains a priority. I do not believe that the whole field of social policy is analogous to the particular cases of aiding companies that are at the same time performing a very useful role in the economy, particularly in providing jobs. Does the Hon. Member suggest that we ought to have permitted these companies to close, hereby putting additional workers on the streets?

Miss MacDonald: Madam Speaker, the Deputy Prime Minister is prepared to treat the elderly citizens of our country in a pretty cavalier manner.

GOVERNMENT PRIORITIES

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, in order that the elderly poor know where they stand in the Government's list of priorities, I wonder if the Minister would tell us where they do stand. Are they fifth, or twenty-fifth, or seventy-fifth on the list of priorities? Could the

Deputy Prime Minister tell me how many bail-outs the Government is prepared to finance before it turns its attention to the needs of the people who built this country?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, we have demonstrated our priorities by our actions, because it was following the last election that we increased the Guaranteed Income Supplement. That was done following the last election, and after a period of Conservative rule in which the Guaranteed Income Supplement was totally neglected.

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INCOME TAX

AUDIT OF RANCHERS' INCOME—ADVICE GIVEN BY DEPARTMENTAL OFFICIALS

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, my question is directed to the Minister of Revenue and concerns the continuing harassment of farmers by auditors of the Income Tax Department. I have in my possession letters from ranchers in my constituency who are being reassessed under Section 31 of the Income Tax Act, letters that indicate Revenue Canada auditors are advising them to pocket up to $15,000 per year in cash income without declaring it for taxation purposes. This fact has also been drawn to my attention by a tax consultant and former long time Revenue Canada field auditor. Such advice might, in the minds of the tax auditors, ease the bitter pill of reassessment, but people are outraged that Government officials are advising them to commit tax fraud. Is it now the policy of the Department and its auditors to advise taxpayers not to declare income?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Certainly not, Madam Speaker. I think the auditors have a duty to make sure that such amounts are declared for the purposes of income tax.

• (1430)

[*English*]

REQUEST FOR INVESTIGATION OF VANCOUVER TAXATION OFFICE

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, I have a supplementary question. Given the evidence in my possession, will the Minister order a full investigation of the Vancouver district taxation office to determine how widespread the practice is? Will he undertake to find out whether auditors are being advised by their superiors, or if this is a further indication of the inexperience of these auditors?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I find it hard to imagine that, as the Hon. Member said, a few mistakes might be made by inexperienced staff. I have already informed the Hon. Member, following representations he made previously, that I would personally look into those cases. I am looking into the matter, and I am checking to see whether taxpayers who happen to be farmers are also treated as farmers in terms of the Income Tax Act. I also wish to inform the Hon. Member that if anyone claims, on his income tax return, that he is earning income as a farmer, and he is not, we set the record straight and do not deal with him as a farmer. I wish the Hon. Member would understand this, and that instead of being so naïve as to make accusations of the kind he has already made—and I hope he has regretted making them—he would take the time to look into the matter and check his facts to find out if these individuals actually qualify as farmers in terms of the Income Tax Act, because if the point he raised is hypothetical and it subsequently appears that the individual in question is not a farmer and does not operate a farm, the Hon. Member will be responsible for wasting our time.

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[*English*]

TRANSPORT

STUDY OF ATLANTIC FREIGHT RATE SUBSIDIES—POSITION OF PREMIERS

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question is directed to the Minister of Transport. Would the Minister confirm that all four Ministers of Transportation in the Atlantic Provinces have written to condemn him for launching a full-scale study into Atlantic freight rate subsidies without informing them beforehand, and without involving them in the process? How can the Minister justify such heavy-handed, unilateral action on the part of his Department, when just a few months ago he affixed his signature to a memorandum of understanding between the Government of Canada and the Maritime Provinces, committing the signatories to full co-operation in all transport-related matters as they affect the Atlantic Provinces? Is that memorandum of understanding now supposed to go out the window?

Hon. Jean-Luc Pepin (Minister of Transport): No, Madam Speaker, it is exactly on the basis of the memorandum of understanding that this study is taking place. It says that there will be joint planning on transportation matters in the Maritime Provinces. That is what we are doing now. The Maritime Freight Rates Act has existed since 1927 and it has been reviewed for example in 1969 and 1974. It is quite normal that at different times we look at the subsidies to find out if they are in the best interests of the region they are supposed to serve. That is part of the memorandum of understanding.

One of the principal aspects of the memorandum is that, should changes be made, money will not be taken back to "Ottawa", as they say down there, but will be put in the Maritime envelope and directed to other transportation support programs in the Maritimes.

Mr. McMillan: Madam Speaker, the fact is that the memorandum of understanding commits the Minister to full consultation with the Atlantic Provinces in all areas relating to the Atlantic Provinces, as far as transportation is concerned.

FEDERAL-PROVINCIAL CONSULTATION

Mr. Tom McMillan (Hillsborough): Madam Speaker, I have a supplementary question for the Minister of Transport. In view of the fact that, for example, the Minister of Transportation for Newfoundland has written to the Minister saying that the Province of Newfoundland has not been consulted on this issue and is deeply disappointed, will he assure the House, and, through the House, the Atlantic Provinces that he will not change Atlantic freight rate subsidies one iota without involving the Atlantic Provinces fully in the process?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have said that already. We are now going through phases; first, the collection of data; second, the analysis of data, and that is where we are now; and third, consultation with provincial Governments and all interested parties. I have already said that and I am committed.

On the subject of consultation with the Provinces on these matters, I should like to remind my hon. friend that this is the spirit of the memorandum of agreement. When you ask provincial Ministers to inquire about these things it is very difficult for them to agree with you. Occasionally the federal Government has to take its responsibilities. This is federal money, spent by the federal Government. My hon. friend would be the first to criticize me, as others are criticizing us on other matters, if we did not make sure that federal moneys were well spent. That is what I am doing.

* * *

VETERANS AFFAIRS

REQUEST THAT ANNUAL REPORT OF DEPARTMENT BE TABLED

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, my question is directed to the Minister of Veterans Affairs. I am in receipt of letters from the National Council of Veterans Associations and the National Indian Veterans Association. As both organizations expressed concern that many issues adversely affecting veterans have not been dealt with, would the Minister consider tabling the annual report or any other report dealing with the Department of Veterans Affairs as soon as possible, so that we can then obtain an order of reference which will enable the Standing Committee on Veterans Affairs to meet in September?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Madam Speaker, the issue of the Indian veterans, particularly in western Canada, has been brought to my attention. I met with the Alberta Indian Veterans Association and the Saskatchewan Indian Veterans Association. Their request was two-fold. The first matter was funding for a research officer for the Associations and I do not have resources to be able to give a positive response to that request. I have indicated that if they have particular cases they wish me to investigate in detail, I will be very happy to do so. To date I have received in the area of 100 specific cases and have responded to more than 90 in terms of analysing our own files and the files of the Department of Indian Affairs and Northern Development.

Mr. McKenzie: Madam Speaker, the Minister did not answer my question about whether he would table the report so that we can have a reference for a meeting in September.

ORGANIZATIONS' APPEARANCES BEFORE STANDING COMMITTEE

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, there is a serious breakdown in communications between the Chairman of the Standing Committee on Veterans Affairs and the 13 veterans' organizations, regarding their appearances before the Committee. Will the Minister investigate and report to the house as soon as possible?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Madam Speaker, first of all I do not accept the suggestion made by the Hon. Member. It has always been the practice of the Chairman and Members of the Standing Committee on Veterans Affairs to meet with any organization that wishes to appear before the Committee.

With regard to tabling the report, if a report is available I will certainly table it.

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TRANSPORT

REVIEW OF ATLANTIC FREIGHTRATE SUBSIDIES—ATTITUDE OF PREMIERS

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, my question for the Minister of Transport is supplementary to those asked by the Hon. Member for Hillsborough. Will the Minister tell the House whether it is true that the Premiers of the four Atlantic Provinces agreed to a reduction in transportation subsidies in Atlantic Canada in exchange for funds for infrastructure, and that their protests are simply another manifestation of their ardent hypocrisy and of passing the buck to he federal Government every time they have to shoulder responsibility?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, you will often find people agreeing in principle but not agreeing in practice. In this particular case the principle is that federal money in the Maritime should be well spent. Consequently, you occasionally have to review a situation to find out if that is so. When you come to a specific case, then you do not find too many friends.

Mr. Hnatyshyn: Life is lonely in the middle.

• (1440)

ROYAL CANADIAN MOUNTED POLICE

REPORTED SURVEILLANCE OF PEACE GROUPS

Mr. David Orlikow (Winnipeg North): Madam Speaker, my question is directed to the Minister of Justice. Today's Ottawa *Citizen* carried a story detailing the RCMP Security Service's involvement in surveillance of anti-nuclear, anti-Cruise peace groups. This is in direct contradiction to the statement to this House on Tuesday by the Solicitor General, and to his statement to *The Citizen* that, "No one is being planted in the groups. No one is being asked to bring in information." The article in *The Citizen* suggests that the Minister may not know what the Security Service is doing and, therefore, inadvertently misled the House.

Will the Minister tell the Members of the House whether Canadians do have the right to disagree, do have the right to oppose this country's testing of the Cruise missile and participation in the arms race, and do have the right to advocate disarmament in a peaceful and patriotic manner, without being harassed, photographed and spied upon by the Security Service of this country?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, that question does not concern my responsibilities. However, since I am answering today for the Solicitor General—and he may want to answer the question more fully when he is in the House—I might say that obviously the Hon. Member knows the answer to his own question. Of course Canadians are entitled to take part in peaceful activities wherever they may take place in this country. That is one of the privileges of democracy. I am sure my hon. friend is not going to suggest that there is any kind of activity which is exempt from legitimate scrutiny, just as no kind of activity which is peaceful and democratic is of itself illegitimate. Therefore, there can be no blanket exemption from scrutiny by the authorities of any form of activity which takes place. And each one of those propositions is just as important as the other.

GOVERNMENT POLICY

Mr. David Orlikow (Winnipeg North): Madam Speaker, *The Citizen* article to which I referred in my previous question cites a former RCMP Intelligence Officer as saying that all individuals associated with the peace groups are naive idealists, that the groups should be penetrated, that all major groups, including the women's movement and the labour movement, are somehow suspect. I am sure that Dennis McDermott of the CLC and Doris Anderson of the National Action Committee will be interested in that. Does the Minister share the view that, because some communists may be involved in some of these movements, all the individuals involved are suspect and fair game for surveillance? What is the Minister or the Government going to do to eliminate the McCarthyist witch hunt tendencies which seem to be running rampant in the Security Service and will only worsen with the proposed civilian security service?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, the Hon. Member is quoting from unnamed sources in an unverified newspaper article. That is not the policy of the Government of Canada. Our policy is, of course, to maintain the democratic society in which we exist. However, as I said before to the Hon. Member, surely he is not going to say that there is any kind of person in our society who can be exempt from scrutiny in the proper circumstances? It is always a question in a given case as to where the line should be drawn. That is what we are talking about here. We are not talking about principles. Principles are not in question. What is at question is the scrutiny of certain individuals. My hon. friend may want to address some questions to the Solicitor General on another day concerning that problem.

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PETRO-CANADA

RENTAL OF HANOVER BUILDING IN CALGARY

Mr. Bill Wright (Calgary North): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. The Minister said in answer to a question from the Hon. Member for Calgary Centre that he promotes the best techniques of management in Petro-Canada Resources. The Minister will know that the Hanover Building in Calgary was rented by Petro-Canada Resources last September for a 20-year period at an annual cost of $6.2 million. The building is still empty. Would the Minister tell us if this is his method of promoting the best management techniques in Petro-Canada? Would he also confirm that Petro-Canada is attempting to sublease the space for 50 per cent of what it leased it for?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I will certainly look into that question. I have not been informed of the question with regard to leasing at that price, compared to the net cost of the building. I will inquire and, if there is something to report, I will do so.

Mr. Wright: Madam Speaker, on February 23 I sent the Minister a letter on this subject. On May 31 I sent him another letter on this subject.

Some Hon. Members: Oh, oh!

STAFF REDUCTION QUOTA

Mr. Bill Wright (Calgary North): Madam Speaker, I have a supplementary question. The management of Petro-Canada Resources has been told to reduce its staff by 25 per cent as of September of this year. Is this what the Minister means by "promoting the best techniques of management"?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, if management does not need its employees, it is normal that they reduce its staff. The Hon.

Member is blaming me because he claims that the building has not been well managed so far. It might be so. I do not know. I will check and report back. However, if I have not reported back to him it is because I have not received the answer. If the Hon. Member wants me to keep everyone on staff, the management might need the space for itself. I think it has an obligation to reduce its staff, if it does not need them. And if it is reducing its staff because it does not need employees, I will not quarrel with that.

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SUPPLY AND SERVICES

PERCENTAGE OF PROCUREMENT FROM MANITOBA SUPPLIERS

Hon. Jake Epp (Provencher): Madam Speaker, my question is directed to the Minister of Supply and Services. My colleague, the Hon. Member for Saskatoon West, yesterday in a question raised the matter of the unacceptable practice of the Department of Supply and Services in its procurement policy, whereby such small percentages of purchases were made in specific Provinces. Would the Minister tell the House why only 3.7 per cent of total procurement by DSS came from the Province of Manitoba? Could he explain to us why his Department has been so spectacularly unsuccessful in purchasing more goods and services from Manitoba suppliers?

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, I will be pleased to review the figures with reference to Manitoba. However, I would point out to the hon. gentleman that, quite to the contrary, we have been successful in Manitoba. We have, as a result of Government procurement, established a viable aeronautics industry within the Province of Manitoba. We are contracting with them on a regular basis. I would be pleased to be able to continue that.

REQUEST THAT MANITOBA ORDERS BE INCREASED

Hon. Jake Epp (Provencher): Madam Speaker, as a supplementary question, I do not feel the Minister believes those words himself because the figure of 3.7 per cent was from his own Department. The Minister says there is an aeronautics industry in Manitoba. CAE in Manitoba just closed a few weeks ago. If the Minister calls that success, then by that measurement I suppose it is a success. Therefore, I am asking the Minister whether he will be able to give us, within a very short period of time, possibly within the month, a clear policy on how that percentage will in fact be increased over a given period of time.

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, I discussed the very matter which is of interest to the hon. gentleman with my regional director in Manitoba less than a month ago. He advised me that the figures, in terms of contracting within the Province, were much above what they were in past years.

In terms of CAE, I agree with the Hon. Member that there has been a recent closure. However, that was not in any way related to any activity in which we were engaged. I am pleased to advise the hon. gentleman as well that I have had a recent meeting with Muriel Smith, who is the Minister of Industry in the Province of Manitoba, in order to discuss the question of the aeronautics industry, and try to strengthen that industry within the Province of Manitoba. The hon. gentleman should inform himself before he asks his questions.

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IMMIGRATION

LANDED IMMIGRANT STATUS GRANTED TO FOREIGN SEAMEN

M. Bob Corbett (Fundy-Royal): Madam Speaker, my question is directed to the Acting Minister of Employment and Immigration, who is also the Acting Minister of Labour. It has been reported that in Atlantic Canada there are some Canadian registered ships which are plying Canadian waters and which have crews aboard who come from abroad. They have been granted temporary "Landed Immigrant" status by the Department of Employment and Immigration while we have Canadian seamen lying idle ashore. Will the Acting Minister explain why the Government is allowing this situation to exist when unemployment in Atlantic Canada is horrendous, and when we should be encouraging the creation and the revitalization of the Canadian merchant marine?

[*Translation*]

Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, it is too bad the Hon. Member did not give notice of his question, because otherwise we could have made some enquiries beforehand. However, I have taken note of the question and we shall see to it that he gets a satisfactory answer.

[*English*]

REQUEST THAT CANADIAN SEAMEN BE GIVEN WORK PRIORITY

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, while the Acting Minister is looking into the matter, will he ensure that the Minister gets the impression of what is taking place, and would he ask the Minister to assure Canadian Atlantic area seamen that they will be put to work before temporary work permits are given to foreign crew members?

[*Translation*]

Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, the Minister will certainly take all necessary precautions. In fact, he has already taken measures to ensure that employers first advertise throughout the country to find out whether workers are available to fill these positions before work permits are issued to foreign workers who are anxious to get a job in Canada.

• (1450)

[*English*]

CANADA LABOUR CODE

PROTECTION OF WORKERS' HEALTH—INTRODUCTION OF AMENDING LEGISLATION

Mr. Rod Murphy (Churchill): Madam Speaker, my question is directed to the Minister of Labour. A year ago I asked him in this House if he would be bringing forward changes to Part IV of the Canada Labour Code, the section which protects the health of Canadian workers who come under federal legislation. At that time he indicated the legislation would be coming soon. Since 12 months have passed can he tell me how he defines the word "soon"?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the Hon. Member knows very well that in the time which has elapsed very important and urgent legislation has been debated and passed by Parliament. In the meantime the other types of legislation which are protecting workers in the various jurisdictions are in effect. I hope the Hon. Member will understand that this legislation is presently protecting the people he is concerned with, as are we.

Mr. Murphy: Madam Speaker, if the Minister thinks the present legislation is protection, then his definition of "soon" is never.

TIMING OF INTRODUCTION OF AMENDING LEGISLATION

Mr. Rod Murphy (Churchill): Madam Speaker, is the Minister going to keep his promise and introduce legislation to amend Part IV of the Canada Labour Code? If so, is he going to bring the Atomic Energy workers, transportation workers, the people who died on the *Ocean Ranger*, under the protection of that legislation?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the Hon. Member is entitled to his definition of the word "soon". As far as the introduction of amendments to the Code is concerned, it is my hope to introduce them as soon as this session and the legislation before the House are completed. Possibly in the next session, Madam Speaker.

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FISHERIES

JAPANESE BAN ON GREAT LAKES FISH IMPORTS

Mr. Bud Bradley (Haldimand-Norfolk): Madam Speaker, my question is for the Minister of Fisheries and Oceans who is well aware of the ban placed on Lake Erie smelt by the Japanese because of the dioxin problem. He has telexed instructions to the Canadian Embassy on this matter. He should also now be aware, by telexes in reply, that the action taken by the Canadian Embassy is in fact ineffective. What further action is the Minister taking to guarantee this Japanese market?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I will be most grateful to the Hon. Member if he or the industry can bring me concrete proposals. Not only have I got in touch with our Embassy, but I have sent a telex to every interested party in Japan, telling them that their concern is absolutely without any foundation; that what is going on in the United States has absolutely nothing to do with Canada. We have tested the smelt we export to them and we have not found any trace of dioxin. Actually, two days ago I met some representatives of the Ontario industry who told me they appreciate our efforts very much. If the Hon. Member and others have some concrete proposals, I would gladly study them.

REQUEST THAT SPECIALIST BE SENT TO REASSURE JAPANESE

Mr. Bud Bradley (Haldimand-Norfolk): Madam Speaker, since we are dealing with an $8 million export market and thousands of spin-off jobs in southern Ontario, and because of the concern of the Japanese people, would the Minister consider sending a specialist trained in dioxin testing along with some of the latest test results of Lake Erie smelt, to the Canadian Embassy to work with them and reassure the Japanese about their concern?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I can assure the Hon. Member I will study his concrete proposal immediately and report to him within a day.

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NATIONAL DEFENCE

LOW FLIGHTS OVER POPULATED AREAS

Mr. J. R. Ellis (Prince Edward-Hastings): Madam Speaker, I have a question for the Minister of National Defence, and he is aware of it. In the past few days a notam has gone out to all private pilots telling them to expect low flying military aircraft in all areas of southern Ontario. Those low flying aircraft have caused some very near misses, particularly with a couple of light aircraft over the Muskoka area. In addition, livestock on the ground have been frightened to the point of being damaged by the aircraft coming over at very high speeds at a height of 500 feet. Could the Minister tell us if indeed it is necessary, in a country as large as ours, to have those aircraft flying over heavily populated areas?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, if that happened in the area referred to, I would think it is very unusual. I know the hon. gentleman and a couple of others have notified me of incidents in their area. I inquired this morning about what was going on. Last week there were indeed some operations of that kind, but it is now all over. This week the only thing which could have happened is perhaps an exercise wherein Boeing 707s were practising emergency landing at Trenton airport. They have to come in

very low towards the airport when they do that. That could have been the disturbance.

I will make a further investigation, and I can assure you that I see no reason why our fighter aircraft should fly that low over urban areas.

REQUEST THAT JET TRAINING FLIGHTS BE POSTPONED

Mr. J. R. Ellis (Prince Edward-Hastings): Madam Speaker, I know about the Boeings landing at Trenton, and that is not a problem. What I am concerned about are high speed jet training aircraft flying across a region, particularly holiday areas, at very low speeds. Would the Minister undertake to assure this House, if not today then early next week, that this will not take place for the balance of this summer at least?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think the hon. gentleman is right. I will investigate these matters. I certainly do not think there should be these kinds of operations over urban areas during the summer months.

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FARM CREDIT CORPORATION

PLIGHT OF FARMERS WITH HIGH INTEREST RATE LOANS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is directed to the Minister of Agriculture who will know there are many Canadian farmers locked into loans with the Farm Credit Corporation at interest rates of 16.75 per cent when the prevailing rate is 12.75 per cent. On about April 26 the Minister stood in the House and said that within a month he would have a solution to this problem. Does the Minister have a solution, what is it and, if not, when does he propose to bring one forward?

Mr. Shields: He does not have one.

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Hon. Member knows that the FCC rate for long-term mortgages is 12.75 per cent. The long-term credit rate from any other private lending institution—and they call three years long term—is 15.75 per cent. So to say 16 per cent is exorbitant for a ten-year mortgage, well, the Hon. Member has the right to say that. I told him we were negotiating. I do not remember saying that I would have it within one month.

Some Hon. Members: Oh, oh!

Mr. Whelan: If I remember right, Madam Speaker, I said we were having discussions on it, and those discussions are still ongoing.

DEVELOPMENT OF AGRI-BOND PROGRAM

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, each time the Minister answers a question he is confirming himself as the "Tricky Dick" of Canadian politics. He will be aware that the Official Opposition has long supported the concept of agri-bonds and that he failed to have the Minister of Finance include this in his last budget. Can the Minister of Agriculture report any progress in the development of agri-bonds to provide long-term, low interest rate loans for Canadian farmers?

Hon. E. F. Whelan (Minister of Agriculture): I am sure the Hon. Member does not want to take credit away from the Hon. Member for Elgin who brought this up earlier this week. I answered him at that time, Madam Speaker.

FINANCIAL POSITION OF CORPORATION

Hon. John Wise (Elgin): Madam Speaker, there is no question about the fact that we have been promised some reduction in interest rates for those special cases, on two or three occasions. I just want to put a very appropriate supplementary question on the subject of the FCC to the Minister.

Will the Minister take this opportunity to either confirm or deny the rumours, stories or reports that the Farm Credit Corporation in fact is out of funds at the moment? Will he confirm or deny that story?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, we do not have any funds left. All the money has been lent.

MINISTER'S POSITION

Hon. John Wise (Elgin): Madam Speaker, I certainly appreciate that very frank answer. That is a very refreshing change for the Minister of Agriculture. Obviously I have a responsibility to put a supplementary question. In view of the fact that the Farm Credit Corporation is out of funds, what does the Minister intend to do about it?

• (1500)

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the demand on the Farm Credit Corporation was very great. It was thrust upon it by the private interests, the private lending institutions, telling farmers to get their finances in order, that they could not give them long-term money. Since April 1 we have loaned $452 million to farmers. We have approved that many loans. If we approve any further loans, we are approving them subject to obtaining more funds. We are hoping that we can go to the private money market to arrange more funds for them. We are still approving loans in those cases where people really need the money, in the hope that we will be able to obtain more funds for them.

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Wednesday, June 15, 1983, meet the requirements of the Standing Orders as to form.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR SASKATCHEWAN

Madam Speaker: I would like to inform the House that an objection signed by certain Hon. Members to the report of the Electoral Boundaries Commission for the Province of Saskatchewan has been filed with me. However, as Hon. Members know, these objections should be filed within a 30-day period from the day the report of the Commission is laid before the House. Those objections have been filed three days late, so under normal circumstances they would not be acceptable. Of course, with the unanimous consent of the House, we could deem those objections to have been filed within the prescribed period.

Mr. Doug Lewis (Simcoe North): Madam Speaker, we do not want to delay, but we would like to take the matter under advisement and report back tomorrow.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Lewis: Madam Speaker, this being Thursday, I would like to ask the Government House Leader if he could give us some idea as to the business for tomorrow and next week.

At this time I would like to point out to the Government House Leader that we on this side are especially concerned with respect to Bill C-147, an Act to amend the Fisheries Improvement Loans Act; Bill C-148, an Act to amend the Farm Improvement Loans Act; Bill C-154, an Act to amend the Regional Development Incentives Act; and especially Bill C-161, an Act to amend the Canada Student Loans Act. With the approach of June 30, we in the Progressive Conservative Party feel that it is absolutely vital that these four important Acts go forward as soon as possible.

Mr. Pinard: Madam Speaker, I find it sad that the Hon. Member forgets to speak about the resolution on aboriginal rights; I think it is most urgent and important as well.

Mr. Lewis: Agreed.

Mr. Pinard: Also, the reorganization of Government and the Judges Act are measures with which we would like to deal before June 30. I have raised the matter with my colleague in meetings and I am hopeful that we will obtain some firm

commitments as to the length of debate, if needed, for each of those measures.

First, I think there are agreements on two matters. I think there is unanimous consent, after consultation with House Leaders, that we adopt, without debate, motion No. 109, on the Order Paper in the name of the Minister of State for Multiculturalism, to create a special committee on participation of visible minorities in Canadian society. I would therefore seek unanimous consent that the motion be forthwith adopted without debate.

Madam Speaker: Is there unanimous consent of the House?

Some Hon. Members: Agreed.

Madam Speaker: There is unanimous consent. Therefore the motion is adopted.

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PARTICIPATION OF VISIBLE MINORITIES IN CANADIAN SOCIETY

APPOINTMENT OF SPECIAL COMMITTEE

Hon. Jim Fleming (Minister of State (Multiculturalism)) moved:

That a Special Committee consisting of seven Members to be named later to act as a Parliamentary Task Force on Participation of Visible Minorities in Canadian Society, be appointed to examine the subject-matter described by its title, and in particular:

(1) to seek positive and constructive ideas and models pertaining explicitly to ameliorating relations within Canada between visible minority and other Canadians;

(2) to identify and investigate positive examples and models of the promotion of harmonious relations between visible minority Canadians and other Canadians, particularly in institutional areas, and find ways and means of improving those relations;

(3) to seek the views that contribute constructively and positively to the promotion of racial tolerance, understanding and harmony of concerned voluntary, community and minority groups and organizations and individuals, as well as business, professional and trade associations, labour unions, public and private institutions and relevant specialists;

(4) within a general review to consider federal Government policies and programs in the area of race relations;

(5) to recommend the development of positive programs that the Committee finds necessary to promote racial understanding, tolerance and harmony in Canadian society; and

(6) to encourage the continuation of the dialogue that will be initiated, in a climate that is open and constructive.

That the Committee report no later than six months after its membership is named;

That the Committee have all of the powers provided to standing committees pursuant to Standing Order 69(8);

That the Committee have the power to retain expert, professional, technical and clerical staff;

That the Committee be empowered to adjourn from place to place within Canada; and

That the provisions of sections (4) and (9) of Standing Order 69 of the House of Commons should be suspended, unless otherwise agreed to by this committee.

Motion agreed to.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Pinard: There is also an agreement that we change business for Wednesday and Thursday next week and the following week. The formal motion reads as follows:

That the hours of sitting and the order of business on Wednesday, June 22, 1983 and Wednesday, June 29, 1983 shall be that provided in Standing Orders 2 and 18 for a Thursday and, on Thursday, June 23, 1983 and Thursday, June 30, 1983, shall be that provided in Standing Orders 2 and 18 for a Wednesday; and

That the special order passed on June 15, 1983, pursuant to Standing Order No. 9, shall apply accordingly.

Madam Speaker: Does the House agree to the motion?

Some Hon. Members: Agreed.

Madam Speaker: Agreed and so ordered.

Motion agreed to.

Mr. Pinard: Madam Speaker, I must now answer the specific question as to what the business will be for today, tomorrow and next week. Today, as we all know, we are debating Bill C-155.

Tomorrow, because of the deadline in the statute, we will have to debate the reports of the Electoral Boundaries Commission dealing with two Provinces, Nova Scotia and Saskatchewan. I would like to start and hopefully conclude debate on the objections to those two reports tomorrow, within the first 45 minutes after the calling of Orders of the Day. If we have not completed debate after 45 minutes, we will ask that the debate be completed later before a report is made to the Chief Electoral Officer.

We have discussed with the Opposition what is to happen following those 45 minutes. I was surprised to hear my colleague say that he was in a hurry to see those measures passed, because he knows that we have an agreement among ourselves—

Mr. Nielsen: He proposed it.

Mr. Pinard: —to deal with all stages of Bill C-148, the Farm Improvement Loans Act, and all stages of Bill C-147, the Fisheries Improvement Loans Act. I hope that we will be able to deal with all stages of those two Bills tomorrow. They will be called in that order, as was discussed among ourselves earlier this week.

[*Translation*]

Madam Speaker, as far as the business of the House for next week is concerned, on Monday we shall resume consideration of Bill C-155, to facilitate the transportation, shipping and handling of western grain. If the Bill is adopted, on the days remaining until June 30 we would like to use the time of the House to consider the following Bills, not necessarily in the order in which they are mentioned: Bill C-152 on Government organization, Bill C-159 respecting the judges, Bill C-161 on student loans, and also the legislation on industrial and regional development to be tabled shortly by the Minister of Industry, Trade and Commerce, the constitutional amendment dealing with native rights, and Bill C-95 on sports pools. There is the matter of at least $200 million in funds that will go to the Calgary Olympic Games, and a number of other measures to be determined at a later date. I can therefore inform the House that we are well aware of the urgency of these Bills but, first of all, we would like to see Bill C-155 referred to the appropriate Standing Committee of the House, which, I hope, will not take too long since today is our sixth day of debate on this Bill.

[*English*]

Madam Speaker: Just before I recognize the Hon. Member for Hamilton Moutain, I want the House to be quite clear on the fact that the Chair would not report on the Electoral Boundaries Readjustment Act before the debate is terminated. I want to make that very clear.

Mr. Deans: Madam Speaker, I wonder if I might make an inquiry of the Government House Leader. Yesterday I suggested to him that we might be able to deal with the Student Loans Act through all stages tomorrow. I notice that he did not include that in his—

Miss MacDonald: He did.

Mr. Deans: He did not include that.

Miss MacDonald: For next week.

Mr. Deans: I notice that he did not include it in his list of business for tomorrow.

I would like to confirm again that, as far as we are concerned, we would be prepared to deal with that piece of legislation tomorrow in advance of proceeding with the other two. Subject to its obtaining approval speedily, the other two would undoubtedly similarly obtain speedy approval.

Mr. Pinard: I welcome that offer which has now been made public. I will certainly not object to the Student Loans Act being adopted through all stages tomorrow without long debate, provided that, as agreed with the Conservative Party, we also pass all stages of Bill C-148 and Bill C-147. If we can pass those two Bills through all stages, then the Canada Student Loans Act may be passed through all stages very quickly. We will not object, on the contrary, but we also need the consent of the Progressive Conservative Party on this matter.

Mr. Lewis: Madam Speaker, I was rather surprised that the Government House Leader did mention Bill C-147 and Bill C-148 for tomorrow, because we understood that due to a dispute between the NDP and the Liberals, the Government would forge ahead with the Crow. Given the fact that they have made up and are now prepared to do business we will certainly take that into consideration.

● (1510)

Mr. Pinard: Madam Speaker, I would like to understand the answer of my hon. colleague. He attended the meeting with us. He is the one who said that we should deal with Bill C-148 and C-147 tomorrow. I agreed to that. Now, I am surprised that he pretended he did not know about it. It was always very clear that we were to deal with those two Bills on Friday.

A few minutes ago, the Hon. Member referred to the Canada Student Loans Act and suggested that it was a most urgent Bill to be dealt with. He now has an offer which is very simple. I fail to understand why he does not want to give his consent today to deal with that Bill through all stages tomorrow.

Mr. Blaikie: Madam Speaker, concerning Government business, could the Government House Leader indicate to the House whether or not he expects we will have a Canada health act tabled for first reading before the end of June?

Mr. Pinard: Madam Speaker, I will consult with the Minister responsible and report in due time.

Mr. Althouse: Madam Speaker, during the election three years ago the Liberal Party promised to change the valuation day for computing capital gains for retiring farmers. We have been waiting three years for that legislation. Could the Minister tell us when we can expect this sort of legislation to be before the House since it was one of the few farm promises in that election?

[*Translation*]

Mr. Pinard: Madam Speaker, if I answered in the affirmative, I would be less than honest, because I doubt the Hon. Member's allegations are correct.

[*English*]

Mr. Deans: Madam Speaker, I want to return to the question of Bill C-148, C-147 and the Student Loans Act. I want to be clear about what will happen tomorrow. Without divulging anything about what anyone else said, my recollection of the House Leader's meeting is that I said I was not in a position to guarantee the passage of Bill C-147 or C-148 tomorrow. However, I am in a position to say that Bill C-147 and Bill C-148 certainly would most likely get approval if the Student Loans Act was also to be dealt with.

Mr. Skelly: Madam Speaker, on a number of occasions in the House I have asked that the Government House Leader give some indication whether or not the legislation which underpins the policy on shipbuilding would be brought in before June 30 so that the House and people outside the House would have an opportunity to peruse it and deal with it expeditiously in the fall.

Second, will the Minister be bringing into the House a Government statement on construction under the frigate program which would give us some indication if the six frigates that are to be built would be built on a two-two-two basis across each region of the country so its benefits would be distributed equally and provide some regional survival in shipbuilding? Both of these matters are critical prior to adjournment. Will the House Leader be bringing that forward?

[*Translation*]

Mr. Pinard: Madam Speaker, I have taken note of the Hon. Member's priorities.

[*English*]

Mr. Manly: Madam Speaker, the Minister of Indian Affairs and Northern Development promised last December that he would act with considerable haste to bring in legislation to end discrimination against Indian women. Could the Government House Leader give any indication as to whether such legislation will be tabled before the House rises on June 30 so that Indian people will have a chance to study that legislation during the summer?

[*Translation*]

Mr. Pinard: Madam Speaker, if we intend to act, we will do so in no uncertain terms.

[*English*]

Mr. Murphy: Madam Speaker, in his report to the House the Government House Leader mentioned that the Conservative Party agreed to quick action with regard to the aboriginal rights amendment to the Canadian Constitution. With a view to developing quick action on that resolution, is the Government House Leader willing to have that resolution go to a committee of the House?

[*Translation*]

Mr. Pinard: Madam Speaker, I am prepared to consider the Hon. Member's suggestion as soon as he facilitates the passing of Bill C-155.

[*English*]

Mr. Murphy: Madam Speaker, my question is: Will Canadians be allowed to make representations to a committee on changes to the Canadian Constitution, or is he willing at least to guarantee that we will have resolutions changing the Constitution of Canada go to a committee so that Canadians can appear to make presentations?

Mr. Pinard: Madam Speaker, I think this is a good idea. I said that I would take it very seriously. I think that the Member has very good judgment and he should apply the same to the Crow. Do Canadians have the right to go to committee to look at the Bill and try to improve it? Maybe he could contribute by allowing them to do so.

Some Hon. Members: Hear, hear!

Mr. Hovdebo: Madam Speaker, some time ago the President of the Treasury Board (Mr. Gray) promised to change the Auditor General's Act to allow the Auditor General to report intermittently instead of just annually. Can the Minister tell us when this legislation will be brought before the House?

Business of the House

Mr. Pinard: Madam Speaker, I will take the Hon. Member's question under advisement.

Madam Speaker, I move, seconded by the Hon. Minsiter of Transport (Mr. Pepin):

That this House do now proceed to Orders of the Day.

Madam Speaker: The House has heard the motion. All those in favour of the motion 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: Call in the Members.

The House divided on the motion (Mr. Pinard), which was agreed to on the following division:

(*Division No. 357*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Berger
Blais
Blaker
Bloomfield
Bossy
Breau
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
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Ethier
Evans
Ferguson
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Lang
Laniel
Lapierre
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
Malépart
Maltais
Marceau
Massé
Masters
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Regan
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Weatherhead
Whelan
Yanakis—126.

NAYS

Messrs.

Andre
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Cardiff
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Dantzer
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Huntington
Jarvis
Jelinek
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKnight
McLean
Mitchell (Mrs.)
Mitges
Murphy
Neil
Nickerson
Nielsen
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Wenman
Wise
Wright
Young—99.

Madam Speaker: I declare the motion carried.

Motion (Mr. Pinard) agreed to.

* * *

● (1630)

OFFICIAL REPORT

DISCREPANCIES WITH VOTES AND PROCEEDINGS IN RECORDING OF DIVISIONS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, it may have been brought to your attention that this morning I raised some discrepancies that exist between *Hansard*, the official Debates of the House of Commons, and the *Votes and Proceedings* as they reflect the votes that were taken on Tuesday evening last.

This matter would have been raised yesterday but, as you know, yesterday was a most unusual day and we did not arrive at that point in the proceedings where it could have been raised.

I wonder if you might be predisposed to have a number of motions put that might help in correcting what is quite obviously some errors that exist in the record.

Mr. Kempling: No way.

Mr. Deans: For example, I doubt very much if the Conservatives intended to support the main motion of the Government.

Mr. Nielsen: We did.

Mr. Deans: Nevertheless, without going into the details of how the votes were taken, my concern is that *Hansard* records one set of circumstances while the *Votes and Proceedings* record another. I am vitally concerned that two parts of the record—

An Hon. Member: You goofed.

Mr. Deans: No, I did not. They should be consistent in order that those who review these matters in the future will be quite clear as to what actually transpired.

Some Hon. Members: Oh, oh!

Madam Speaker: I do not think any reply to the Hon. Member's point of order is required. It has been brought to my attention. I want to tell the House that what is recorded in the *Votes and Proceedings* is correct and applies to the situation that took place in the House at the time of the vote, and that what is recorded in *Hansard* is being examined and will be corrected if there is a discrepancy.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Transport; and the amendment thereto of Mr. Benjamin (p. 25389).

Mr. Jarvis: Madam Speaker, at one o'clock I was attempting to convince the Minister—I am not sure if I was making progress—of the benefits that would flow from this amendment to permit the House and our respective constituents to have the opportunity of a further six months in which regional interests could be expressed.

Mr. Pepin: Then you will ask for another six months.

Mr. Jarvis: I am sorry, I did not hear the Minister because there is so much noise in the House. I think he is on the verge of being convinced because he is smiling at me. He may agree to this amendment.

I might say that I apparently ruffled some feathers earlier when I mentioned that few NDP Members from British Columbia had participated in this debate. I was not attempting to denigrate those Hon. Members. I thought it was very strange that the regional interests of the constituents of that Province were not being properly expressed in this debate. It may be a matter of strategy and I am willing to accept that.

For example, as a Member of the Senate Reform Committee I hear witnesses talk in passing about four regions. Were I not sensitive to the thoughts and aspirations of some of my B.C. colleagues in this caucus I might be tempted just to let that reference slide by in that committee without even questioning it, whereas I believe there are some very strong feelings among the people of British Columbia about being included as one part of the four regions. Their aspirations are not necessarily reflected in that type of attitude. That is why I probably should have heard more from the NDP Members from British Columbia with respect to this particular amendment.

Mr. Fulton: Mr. Speaker, as a Member of Parliament from British Columbia and as a Member of the New Democratic Party, I am sure that the Member for Perth (Mr. Jarvis) would like to check *Hansard* to see that just as many Members in the NDP who are from British Columbia have spoken as have Tories.

Mr. Jarvis: Mr. Speaker, I think that the Hon. Member has the same problem counting as his House Leader does with respect to the votes that we cast last night.

In any event, my point was that the advantage of a six-month hoist with respect to this legislation would give those of us in certain regions that extra time not to defend but to explain the legitimate historic, economic, social and cultural interests of their fellow Canadians from a different region. It is not necessarily incumbent upon me to explain all the details of this legislation to the constituents of Perth. But surely it is my responsibility to convey to my constituents as best as I am able the legitimate aspirations of a different region so that they may make that judgment to which they are entitled with respect to such profound and complicated legislation.

You are indicating to me that my time is up, Mr. Speaker. I very much look forward to participating in the debate on the main motion. I hope that I have convinced the Minister that a six-month hoist would be very advisable indeed.

The Acting Speaker (Mr. Blaker): Before I recognize the next Hon. Member, may I deal with proceedings on the adjournment debate this evening.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Blaker): Order. It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Wetaskiwin (Mr. Schellenberger)—Indian Affairs—Freezing of band trust accounts. (b) Band responsibility; the Hon. Member for Western Arctic (Mr. Nickerson)—Northern Afairs—Northern Canada Power Commission—Committee recommendations. (b) Price of

electricity supplied to Pine Point Mines; the Hon. Member for Dauphin-Swan River (Mr. Lewycky)—Canadian Transport Commission—Rulings on railway branch line abandonments in Manitoba. (b) Request for protection of subdivisions.

GOVERNMENT ORDERS

[*English*]

The Acting Speaker (Mr. Blaker): I also have to deliver a ruling related to a point of order raised this morning by the Hon. Member for Hamilton Mountain (Mr. Deans).

The Hon. Member for Hamilton Mountain rose this morning on the point of order suggesting that Bill C-155 was improperly before the House because, he submits, it has three separate and distinct principles. He also suggests that the Bill should therefore be divided. I will address simply and only the point of order relating to the amendment.

The Chair stated that the question before the House was an amendment that the Bill be not now read a second time this day but six months hence. The Hon. Member for Hamilton Mountain submitted that the House should not proceed further with the amendment until his point of order has been addressed and ruled upon.

After further consideration, the Chair finds that the amendment before the House must just be disposed of either by being adopted, negatived or withdrawn, before any discussion is entertained on a point of order relating to the main motion for second reading and referral to committee. The Chair recognizes that if the amendment is carried, the Bill may be rejected but it is not for the Chair to judge the consequences of the decisions of the House but rather to ensure that the proper procedures are followed. In this case, an amendment is properly before the House and a discussion on the Member's point of order can only be entertained once the amendment has been disposed of.

* * *

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Transport; and the amendment thereto of Mr. Benjamin (p. 25389).

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I rise to speak to the amendment which, of course, is a six-month hoist. Most Hon. Members have not addressed themselves to the amendment before us but have talked about many subjects.

I appreciate the situation of the Hon. Member for Brandon-Souris (Mr. Clark) who, of course, was giving his maiden speech. He followed the usual proprieties and talked about many other things instead of addressing the substance of the Bill. I can understand the situation of my colleague, the Hon. Member for Spadina (Mr. Heap), who represents an urban riding. He naturally would want to address certain concerns and explain the relevance of the legislation before us to his community.

I have also heard some very good speeches on the subject. Many Members have dealt with important points. The question before us is one of process. Our amendment is to delay the discussion of this Bill in the House for six months. There are very good reasons for this. The legislation before us is extremely bad legislation and the ordinary procedures of discussion before a committee hearing representations are really not as good as some other procedures of going back to the drawing board in a more fundamental way.

• (1640)

We are extremely concerned with the way the Government has proceeded on this question. People were given assurances that there would be no change in the Crow rate without consensus, but now the Government is trying to ram through something without consensus. That is a clear violation of trust. It is inexcusable and we have to protest in no uncertain terms. Frankly, the Government has reneged on its promises. We want to bring this to the attention of all Canadians and make the Government live up to the promise with which it initially came to the people. We are optimistic that some kind of suitable arrangements can be made and that good will can prevail if people would get together and negotiate in good faith.

The issues before us are extremely complex. That is another reason for taking a sober six-month look at the problem. The problem has been with us for a long time, and six months is a very modest time in which to try to deal in a realistic fashion with it.

Let me refer to some of the problems with which the legislation has to deal. One is transportation. Clearly this is a transportation Bill, but we have to put it in a broader context. We are dealing with transportation by railways but we have to think of transportation by highways and competing transportation in that field and we have to think of ports and of subsidy policies. These are extremely complex matters.

What about jobs? Certainly there is provision in this legislation to create jobs. But is this Bill going to do that in the best way possible? How will these jobs be distributed? This is an extremely important question with the rate of unemployment that we have now. We have to consider urban jobs as well as jobs in steel manufacturing and in farming. There is the situation of the family farm.

Some provisions of this legislation are very harmful, so we get down to very basic principles as to what kind of society we

want and what kind of farming communities we want. Is the family farm really to survive? There is the issue of the size of communities. Should small communities be wiped out by some of the presumably unintended effects of this legislation? We do not want to see that, but it is a possibility with some of the provisions in this legislation. This is too important a matter to be rushed through the House. We must go back to the drawing board and see that we have transportation policies to keep small communities alive. We have to consider the situation of the consumer. Food prices are very basic. All Canadians, people who are not farmers and people who will not be directly affected by jobs in steel, will be affected by the harm that is done to food prices by this legislation if it passes. We have to consider the situation of corporations. There are scandalous give-away provisions in this legislation whereby corporations will be allowed to go their way without being held to account. There are very unacceptable provisions as far as corporations are concerned and we have to object to them.

The NDP's approach to this legislation is completely different and we think there is a far better approach. We are not against all change. We are against change that will be unfair, change that would hurt farmers, that would hurt consumers and urban workers. We are against the fact that it will guarantee profits to the CPR.

What would the NDP policies do instead of the proposal before us? First, we would pay the railways for their proven operating losses hauling grain. To that we are agreeable. But we are in disagreement with the scandalous extent of profit that will be allowed by this legislation. We agree that some subsidies have to be provided. Certainly other countries subsidize transportation of food products and of grain, and so would we to the tune of $380 milion a year.

We want to keep the Crow rate for grain farmers. This is a historic promise that was made. We see no reason to sacrifice it now, certainly not with all the nefarious effects that this legislation would have.

We want to see public investment to upgrade the railways to the tune of $550 million a year. The railways do need to be upgraded. This situation has been discussed at great length. Our objections are to the way in which the Government wants to provide for this.

Back in the 1800s the people of British Columbia gave the CPR a large coal deposit which it put in reserve with the federal Government. The Pepin plan will remove the price ceiling on this coal but will not tell us who will own and benefit from the $450 billion reserve. This resource rightfully belongs to the people of British Columbia and we want to keep it that way.

The total cost of our plan is roughly along the lines of the proposal before us in the sense of its being $930 million per year. But we would see that more upgrading got done because we would prevent public money from leaving the rail system to real estate or dividends. The opportunities the Government's legislation provide are for the usual boondoggle subsidies with no control over how the money will be spent. Money could leave the country and may or may not make money for those who profit from the CPR, money that may go out of the country and create jobs elsewhere that will see Canadians deprived of further jobs. That money should be invested here. What about money that would go to other companies that would not provide the same number or the kinds of jobs we would like to see?

It was public money that built the CPR in the 1880s to bring British Columbia into Confederation. It was public money and therefore the public is entitled to see to it now that any changes made are ones that respect the investment the public made in the first place. One of the purposes of building the CPR was to prevent American railroads from integrating the Prairies into the U.S. economy. The Crow rate agreement was established in 1897 to protect mineral development in British Columbia from exploitation by U.S. railways, to develop the prairie wheat economy as a market for central manufacturers to funnel Canadian grain through Canadian ports and to protect farmers from monopoly pricing by the railroads. All of these objections are extremely important. Cancelling the Crow rate would be a major step to a user-pay transportation policy which will encourage north-south trade with the United States instead of east-west trade in Canada. This, of course, has been the historic problem we face in Canada but it is something that we, as Canadians, who want to keep our country together have to address. We cannot simply succumb to the pressure of the north-south ties. Cancelling the Crow rate will end Canadian control in all three segments of the grain chain: gathering, marketing and transportation. At stake are about 35,000 jobs in Canada related to grain handling and transportation alone. Of course, many other jobs are at stake in the manufacturing sector.

The Crow is a barrier to non-agrarian capital exploiting the prairie region because the Crow would ensure fair freight rates for all shipping points, regardless of the volume shipped. This is a fundamental point of disagreement between the NDP and the Government. Grain gathering on the Prairies is decentralized in a number of country elevators mostly owned by farmers. Without the Crow the railways could charge variable rates, higher rates on branch lines than main lines. This would consolidate grain gathering in a few inland terminals owned by multinational grain companies.

Ending the Crow rate will centralize and stratify prairie society making farmers and workers less aware of each other's contribution to the community. We think in terms of a whole community in which people co-operate together, in other words, solve problems together and share the resources. The Canadian Wheat Board uses quotas to equalize delivery opportunities so that a large operator with semi-trailer trucks cannot plug an elevator to the exclusion of other farmers. Inland terminals require large volumes of grain at any given time to fill a unit train, which would require preferential quotas at the expense of nearby country elevators. The Board also averages the price of grain to protect farmers from violent price fluctuations in a season. During periods of temporarily high grain prices, multinational grain companies with inland storage terminals could pressure farmers to lobby politicians to

stop price averaging. During periods of low prices and surplus grain, private grain companies could pressure farmers to end the quota system so the companies could take large volumes of grain at low prices and resell later at high prices.

• (1650)

The Canadian Wheat Board itself would cease to exist in such an environment and Canadian grain policy would be more vulnerable to manipulation by American politics and boycotts. Without the Crow rate, it will be less expensive to ship Canadian grain through U.S. ports than through Canadian ports. CN and CP already have lines to Duluth, Minnesota where grain can be loaded on boats for shipment to east coast elevators. Through its subsidiary Soo Line, CP owns track to Minneapolis, Minnesota where grain can be loaded on barges for shipment to export elevators at New Orleans. Minneapolis is—

Mr. Deputy Speaker: Order. The Chair hesitates to interrupt the Hon. Member, but the time allotted to her has expired. She may continue with the unanimous consent of the House. Is it agreed?

Some Hon. Member: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, it is a pleasure for me to follow my friend from British Columbia who is a British Columbian transplanted to the streets of Toronto.

Ms. McDonald: Oh, oh!

Mr. Friesen: I did not intend to make that kind of allusion. However, with her broad background on farming, having been raised on a farm in British Columbia, she draws on that incredibly intensive experience to bring that depth of background to this debate. It is even more interesting that she was so well versed on corporations and understands them very well.

We are debating an amendment which is to hoist this Bill for six months. Even though the amendment was proposed by the NDP, it happens to be a very good amendment. They in particular need six months to study any subject. Therefore, it happens to be an amendment to my liking.

I am always wondering where they are on this subject. I noted with particular attention the statement under Standing Order 21 submitted by the Hon. Member for Prince Albert (Mr. Hovdebo) at two o'clock today in which he was decrying the management-labour tension in the Port of Vancouver and the fact that the few people involved in that dispute are going to create massive problems for the $6 billion industry in the Prairies.

I understand very clearly what he said because it was very accurate, that the few people involved in that tension are disrupting the whole agricultural community on the Prairies and will create losses that cannot be recouped. Think of the demurrage charges and all of the other related expenses that come about as a result of that work problem. I will not call it a stoppage, but it certainly is a problem.

What the Hon. Member for Prince Albert failed to say—and this is why I always wonder why they pose themselves as friends of the farmer—was that every time there is a work stoppage at the Port of Vancouver which stops the flow of grain from the Prairies and there is back to work legislation proposed in the House, since I have been here the New Democrats from the Prairies, who are supposed to be the champions of the farmers, vote against the back to work legislation. While the Hon. Member for Prince Albert is decrying the imposition of those terrible costs on the farmers from the Prairies, his colleagues from the Prairies always support the work stoppage and the increased cost to the prairie farmer.

The Members on my left cannot have it both ways. They either have to be for the farmer in this case or against the farmer. When it comes to voting back to work legislation for a few hundred workers in the Vancouver area, they will vote for the union and against the farmer. They have done it ever since I have come to this House. I fail to see why they have been successful in posing as the friend of the farmer when they actually vote against the farmer whenever there is a confrontation between the farmer and the port workers in Vancouver.

In the few minutes remaining to me, I would like to speak about this very important issue, the Crow rate. It is true that the legislation would do away with the statutory protection for the farmer and provide statutory protection for the railway. That in itself is an inequity that violates the basic sense of fairness that the Canadian people have. It is not fair to continue protection to the railways but to deny it to the farmer.

While inflation and increased costs of production impinge heavily on the farmer, and in the last ten years there has been 135 per cent increase in inflation and the cost of production for the farmer, there is still no protection for the farmer in terms of freight rates. Therefore, I understand the tension that exists on the Prairies when it comes to this legislation.

What bothers me most in the sweetheart deal between the railways and the Government is the double standard that has been invoked. We are arguing a rate that was established 80 years ago. At that time the railways agreed through a statutory limit that they would not charge more than a certain amount for the transport of grain. Today those costs bear no resemblance to the present day costs. The payment established 80 years ago bears no relationship to today's transport costs. We have the railways coming to us and saying they cannot operate under this arrangement because there is no realistic relationship between the cost of 80 years ago and today. I can understand that, but let us examine the language of the railway on another issue, namely, railway pensions.

My friend, the Hon. Member for York-Peel (Mr. Stevens) indicated this morning the way the railways treat their minority shareholders in terms of stocks and dividends and the way they have robbed minority shareholders over the years by the

way they have treated long-term arrangements. The same is true of the workers. If there is one thing that has gratified me over the years, it is the sense of loyalty that I have experienced on the part of railway workers to the railways. CPR and CNR employees are proud of their railways.

Mr. Benjamin: No, of the work.

Mr. Friesen: The Hon. Member says of the work, but they are proud of the railways. What bothers me is that in spite of this intense pride those workers have for their work and for their railways, they have been betrayed by the railways. Let me illustrate by way of their pension plans.

There are two pension plans that have been devised by the railways over the years, one covering pensions from 1935 to 1959 and one covering from 1959 to 1967. The pension plan devised for 1935 to 1959 gave the workers a pension of 40 per cent over the best ten years of employment. Let us say that that was a $3 average over 1950 to 1960; 40 per cent of those best ten years. What relationship is there between that payment now and the cost of living for those pensioners? There is no fairness at all.

Some years ago when I wrote to Ian Sinclair of CP Investment about that inequity, he said, "That's tough, they invested that money in long-term arrangements and they have to pay back according to their return on that investment". I have a letter from Mr. Roy Lowry, administrative officer of the president's office of CNR. Listen to the language he uses: "The employees' contribution, subject to matching contributions from the company with interest accrued to date of retirement, represented the company's obligation." When it comes to the employers' or the former employees' obligations, it is all statutory. There is no consideration given to the increased cost of living. There is no consideration given to the inflationary spiral. There is no consideration given to the plight of those former employees who are now living on meagre pensions. It is always a statutory obligation.

• (1700)

Why is it, Mr. Speaker, that the railway can argue so eloquently about changing the statutory regulation when it comes to subsidies for the railway, but it is speechless when it comes to the statutory obligations for the pensioner? Why is it, Mr. Speaker, that it needs so much to operate because of the spiralling costs of production, but it cannot argue on behalf of its employees who are living on a meagre income?

Let me close by saying, Mr. Speaker, that it seems to me that the unions that are supposed to be defending employees have been no better because the unions forget the employees as soon as they are retired. They work for them as long as they are employed, but out of sight means out of mind. In that sense the unions have done no better than management.

Mr. Neil Young (Beaches): Mr. Speaker, I welcome the opportunity to say a few words on Bill C-155 today. The Bill has commonly been called the Crow rate Bill and is perhaps not readily understood in large urban centres such as metropolitan Toronto. Generally speaking, it is viewed as something that concerns only those Canadians who are involved in the farming communities.

Mr. Cosgrove: They know that it means jobs.

Mr. Young: They certainly do know that it means jobs and, apparently, they understand that much better than does the Liberal Party. That is why the farming community is so concerned about the changes that the Government is trying to impose upon them.

My good friend, the Hon. Member for Don Valley East (Mr. Smith), wondered whether there were any farmers in Beaches who were particularly concerned about the amendments that the Government intends to make to the Crow rate, and I want to assure him that while there are no farmers as they are commonly understood, certainly many of my constituents lived on farms and migrated to the city. These people certainly understand the implications of the Crow rate and they have expressed their concerns to me.

The issue that we in the House are talking about deals not only with individuals who are directly involved in the farm industry. It goes far beyond that. It goes deeper than that. It goes to a basic principle—

Mr. Cosgrove: It creates many jobs.

Mr. Young: I will talk about jobs, and I will also talk about jobs in the Hon. Minister's constituency that will be lost because of what the Government intends to do.

We are actually talking about a social contract between Canadians and their Government which goes back to the 1800s because it was back then, Mr. Speaker, that the Canadian Pacific Railway received substantial mineral rights, land and cash from the people of Canada in exchange for certain responsibilities. One of those obligations was to haul grain at the Crow rate. Another was to use its mineral resources to keep its transcontinental rail line modern and efficient as the country grew.

Now Canadian Pacific says that it wants to keep the mineral rights and grants but shift its obligations to farmers and taxpayers who will have to pay the bills. The Government agrees with CP and has introduced legislation to end the Crow rates for grain transportation. This action will provoke a deep and possibly desperate reaction on the part of the people on the Prairies who consider the Crow their Confederation bargain.

The Crow is also important to central Canada. If the farmers have to pay higher freight charges, they will have less money to spend on tractors, trucks and supplies made in central Canada. Thousands of workers at farm implement plants in Ontario, for example, are already on lay-off. Doing away with the Crow will guarantee more lost jobs.

As another example, the extra freight charges to be paid by farmers under the Government's plan will lower the Canadian Gross National Product by some $1.5 billion in 1991, which means that the economy will then support some 51,000 fewer jobs than it does today.

Higher freight charges to ship grain in Canada will also divert grain from the Canadian Prairies to U.S. ports. My friend, the Hon. Member for Regina East (Mr. de Jong), has raised this issue in the House during Question Period and has yet to receive a satisfactory response from the Minister of Transport (Mr. Pepin). Canadians who work on the railways, the Great Lakes and the Seaway will also lose jobs because of the Government's proposals.

If farmers have to pay higher freight charges, they will produce less grain. Even Agriculture Canada admits that this will mean a reduction in grain exports which now earn our country some $6 billion a year in foreign exchange.

While the New Democratic Party is in favour of upgrading Canadian railways, we would pay the railways for their proven losses hauling grain at the Crow rate and make public investment to upgrade the rails for all commodities in all regions, not just those favoured by the Minister and Canadian Pacific and the other railways. Our proposal would cost no more than the Government's plan but more rail upgrading would be accomplished because we would prevent public money from leaving the rail system and going to dividends or foreign real estate. The taxpayers have paid for rail upgrading for over 100 years, and we say that it is time we stopped the handouts and instead took equity in Canadian Pacific Limited and Canadian National for what we pay.

In 1881, Mr. Speaker, the CPR syndicate accepted from the people of Canada land, cash, rail lines and other benefits in exchange for a commitment to "thereafter and forever efficiently maintain, work and run the Canadian Pacific Railway". Clearly Parliament intended that the vast land grants and other benefits were to permit the syndicate to finance the railway's ongoing operation.

In general terms, the Crow rate is one half of an indivisible national policy dating back to the time of Sir John A. Macdonald that was to provide tariff protection for central industry and low cost transport to develop the eastern and western region. Specifically, the Crow rate was agreed upon by the CPR and the Government of Canada and remains a valid and binding contract. Sir Clifford Sifton, party to the negotiations that established the 1897 Crow rate agreement, said in 1929:

> I remember when as a young minister in Laurier's cabinet, Van Horne and Shaughnessy said a line into the Kootenay mining district would not be considered for fifteen years. Also I remember that within six weeks the same two gentlemen came into my office and said that they had to build this line and wanted a large bonus for doing it, that the CPR was on the verge of bankruptcy. We gave them this bonus against the public sentiment of two-thirds of the people of Canada. They built the line and the Kootenay mining development (nucleus of Cominco) saved the CPR and saved a good many other things in Canada.

Again, Mr. Speaker, in 1925, Parliament put the Crow rate in a statute when the railways offered to keep grain on the Crow rate if they could be relieved from the agreement for low rates on other commodities. At the time, the CPR made it clear that they were not asking for any change in the conditions established in 1897 in regard to grain and grain products.

A. R. Gobeil, one member of the MacPherson Royal Commission on Transportation, had this to say:

> —the grain rates were not imposed by Parliament. They were not only freely accepted by the railway but were offered by them as an inducement to persuade Parliament to lift that part of the agreement which pertained to westbound rates on other commodities.

• (1710)

At no time in 1925 was there a suggestion by either Party that the agreement of 1897 was being terminated. The Crowsnest Pass Agreement is a binding contract and if the Canadian Pacific Railway wishes to be relieved of its obligation under that agreement, it must also relinquish the other benefits it derives.

I see that my time is up, Mr. Speaker. I urge the Government and all Members on this side of the House to defeat this totally inequitable Bill which will work against Canadian farmers.

Mr. Scott Fennell (Ontario): Mr. Speaker, today I am speaking on something that I knew absolutely nothing about three weeks ago.

Mr. MacBain: Things have not changed!

Mr. Fennell: No, big mouth.

Mr. Deputy Speaker: Remarks should be addressed to the Chair, as the Hon. Member knows.

Mr. Fennell: Mr. Speaker, because of the importance of this Bill I have had an opportunity to become aware of the Crowsnest Pass rate. To me it is another example of the destruction of our national transportation system. In Ontario we have seen the destruction of the rail passenger service, and indeed that has gone on even beyond Ontario, but in my riding the train that used to go past the back of my property every day no longer operates.

This week I had an opportunity to help a gentleman who found that he could not send his vehicle by train because it was too heavy. He was told the railways did not have the service. Strangely enough, Air Canada came to the rescue; the airline could take it but VIA Rail could not. I spoke to the Minister about that case and he admitted it was strange that the train could not take a large wheelchair vehicle when it had a mail car. That is another example of the Government's attitude towards rail transportation in this country.

It is the historical implications of the Bill that we are dealing with. I support the NDP motion for a six-month hoist. It took us six months to get the Constitution and it should have taken longer. This Bill should go to committee for at least six months so that everyone in the country can discuss it, not just Members of Parliament who have been brought up to date on the matter. This is a sound proposal, Mr. Speaker. There is no reason to rush this. There is no reason that the Transport Committee could not meet throughout the summer to hear the views of people from across the land. I notice that one of my colleagues who is involved in transportation does not like that idea very well, but I would be prepared to sit on that Committee to become more aware of the transportation system in the country.

This Party agrees, in principle, to some adjustment but not that set forth by the Minister. We must have some freedom in this country and, as the Hon. Member for Vegreville (Mr. Mazankowski) has stated a number of times, what we are pushing for is freedom of choice. The trouble with not having freedom of choice is that it leaves too much power in the hands of Government and the railways while it removes power from the farmers, the producers and processors. I feel that the Bill leaves far too much power with the railways and too much with the Minister.

I should like to compare this subsidy with a few things in Ontario. There are local transportation commissions which are all subsidized by the taxpayer. VIA Rail is subsidized by the taxpayer, the St. Lawrence Seaway has been subsidized by the taxpayer for years and now the tolls are so high that the tonnage has dropped dramatically. This Bill could have the same effect on the western farmer, and that is what I am nervous about. The Trans-Canada highway is subsidized by the taxpayer so that people can go on holidays. Economics are far more important than putting in a Trans-Canada highway. Highways should be the responsibility of the Provinces which have been collecting gas taxes for years for that purpose. Now the federal Government has to stick its nose in and subsidize the highways.

Another classic case of subsidization is Canadair, a transportation company which cost us $1,400 million. Now we find that de Havilland is going to cost $266 million.

The Government is asking farmers to give up their rights and is removing opportunity for producers and processors in the West. We must realize that this country is 5,000 miles long and 100 miles wide, and a little wider in the West. In Ontario, however, there is not much agriculture beyond 50 to 100 miles from the border.

We are committed to subsidizing transportation for grains and agricultural products. Every country in the world subsidizes agricultural products and transportation. We have a more serious problem than any other country, however, because our agricultural belt is so far from ocean ports. Now the Government is asking that we not allow farmers to have the freedom to choose what they want to do.

The subsidy in the United States amounts to between 30 per cent and 33 per cent and is paid directly to the farmer, not to the railway. He ships by rail and receives that amount of money back. France is another good example. At the end of World War II it was not self-sufficient in the production of grain but now it has become not only self-sufficient but is a net exporter of grain. The French Government gives farmers a 50 per cent subsidy on any grain shipped out of the country. That is the kind of arrangement we should have.

I am not arguing that the railways do not need more funds, but those funds should flow from the farmers to the railways. If it happened that another form of transportation was more logical for some people than the Canadian National Railways, they should be permitted to use it. We are locking them in to the railways.

The point I am trying to make, Mr. Speaker, is that this is not right.

Mr. Dionne (Northumberland-Miramichi): You are doing a poor job of it.

Mr. Fennell: A subsidy to the railway is no guarantee that the railway will be improved. Railways are greedy and always have been. A recent example of that is that the CNR is now releasing a large number of employees because of new technology, compared to General Motors in my riding which is retraining every single employee so that they will not lose their jobs. This is a national disgrace, Mr. Speaker. That is the kind of thing that we should be speaking up for. I do not have faith in Crown corporations or in the railways. We must provide security, Mr. Speaker, for some processing of the grain in the West. It is far more economical to process the grain there, feed the beef and ship the beef out of the West. I know that some farmers in Ontario will not like that statement. However, I would like just briefly to explain that in Ontario they are fortunate. They are self-sufficient in grain. They are self-sufficient agriculturally, whereas the West, because it does not have the population, it does not have the same opportunity as those people in Ontario. However, I do stand on the principle of freedom of choice and I hope that this House will vote for this amendment.

• (1720)

Mrs. Margaret Mitchell (Vancouver East): Mr. Speaker, I am pleased to stand and speak in favour of the amendment to have a six-month hoist on this Bill. I would like to speak particularly from the point of view of the people of British Columbia who perhaps have not been quite as close to this issue and may not understand what great relevance it really has to them, both as Canadians and as British Columbians. "Keep the Crow", the clarion cry of western Canadians sometimes mystifies the people in British Columbia. "Why is this so important to farmers on the Prairies? Why is it so important that they will fight to retain the Crow freight rates, it seems, forever?"—and certainly I can say that from the point of view of Hon. Members of this caucus. "Why have thousands of people signed hundreds of petitions?", which incidentally the Government has restricted Members of Parliament in this Party from presenting, "And why are they so up in arms right across Canada and supported by people in all Provinces? Is the Crow rate important only to prairie farmers?"

I was very interested, Mr. Speaker, to learn that indeed the farmers of British Columbia will be equally affected by the removal of the Crow freight rate promises. In my research I learned that the incomes of British Columbia farmers would be cut by 30 per cent by 1992 as a result of this legislation. The cost of feed grains alone in British Columbia would be increased by 10 per cent because the feed grains come to B.C. from the prairie Provinces. It is a very important issue not only to farmers in B.C. but also it will have an impact on other workers in B.C. along with the rest of western Canada.

There are some superficial opinions which some people may have about this subject and I believe there is one Hon. Member among the Hon. Members who are so vocal across the way whom I would perhaps include in that group. I received a letter the other day from a person who asked, "By supporting Bill C-155, are you actually opposing job creation? Does it mean that you are against transportation improvements?" Categorically—and I hope the Hon. Member who is so lippy across the way will listen to this—we, of course, do not agree with this, and I will document that in a few moments. I would like to go, first of all, Mr. Speaker, to the basic Confederation agreement which was made regarding the Crowsnest freight rate. Mr. Allen Engel, the agriculture critic from Saskatchewan spoke in April to Members of Parliament of all Parties. He said the following:

—the Crow Rate is part of the ongoing Confederation bargain. It is an offset to higher costs borne by the West from such things as tariffs, the monopoly power of the railways, and the tremendous benefits given to the railways by the people of Canada since 1867.

You can't change this balance by only altering one component, ... If more money is needed to modernize the rail system, let everyone in Canada pay for that—not just western farmers.

Everyone in Canada, after all, will benefit from the trade dollars generated by the growing volumes of exports of various commodities produced in western Canada.

And if the Canadian public is going to invest in the rail system, it should get equity in return for that investment.

No more giveaways to the railways.

The Hon. Member for Regina West (Mr. Benjamin), as you are aware, Mr. Speaker, is a long time expert on the Crow rate and on transportation matters, generally. I would just like to refer quickly to comments he made, very eloquently, I believe, on "The Nation's Business". He said the following:

Back in the late 1800s the Canadian Pacific Railway received substantial mineral rights, land and cash from the people of Canada, in exchange for certain responsibilities. One of the obligations was to haul grain at the low Crow rate.

The Crowsnest Pass grain rate is the foundation of the western Provinces' union with the rest of Canada. Just as tariffs helped central Canada develop its industry, the Crow rate still helps western Canada get its grain over long distances to market.

Times change of course, but the geographical barrier separating our grain from market remains. Other countries grow their grain close to the cheap water transport or subsidize their grain transport. Without the Crow rate, our farmers today cannot easily afford to sell grain in competition with other countries.

He went on to explain, Mr. Speaker, that if the Crow goes, shipping subsidies in Atlantic Canada will be next. It is the same principle and is the same Liberal policy. Farmers who will lose 35 per cent of their incomes, of course will buy fewer supplies from central Canada, those tractors and farm implements, and much of the equipment which supply manufacturing jobs in central Canada. They will export less grain from British Columbia ports. The New Democratic Party estimates that by abandoning the Crow rate, it could cost 50,000 Canadians their jobs.

I would like to point out to the average homemaker in British Columbia that the cost of bread in British Columbia will go up by at least five cents a loaf directly related to changing costs. If the Government removes the Crow rate subsidy, as it intends to do, cheaper transportation rates through the United States will force farmers to export grain through the United States via CPR in the U.S., instead of through the ports of Canada. I was very interested in the information provided, again by our transport critic, that the CPR is already planning for this diversion of grain transportation through the United States. It has already taken advantage of the changes which are being proposed to expand its rails in the United States at a cost which would be less than using the St. Lawrence Seaway. On May 24, the same Hon. Member said that the CNR is showing evidence of doing the same thing. These railways should improve their tracks in Canada, not bail out the bankrupt Milwaukee Railroad in the United States where some $300 million was being used, which should have been used, of course, in Canada.

I would like to point out also, Mr. Speaker, that this Bill will have an immediate effect on my riding of Vancouver East. A lot of people in my constituency perhaps are quite unaware of this. If this grain and coal as well is diverted through the United States rather than coming west through the Rockies and into the Port of Vancouver, it will have a serious impact with loss of jobs for grain workers, longshoremen, and railway workers in Vancouver east and in the B.C. lower mainland, as well as people in businesses who service the port. There are alternative plans which, indeed, we have proposed to the Government. The Government proposes to make western farmers pay for an improved transportation system. We feel that everyone in Canada should pay for this, not just the farmers. Of course, we must modernize rail transportation as well as shipping facilities in western Canada, but we believe that the geography of Canada requires that everyone, not just farmers, pay for this.

• (1730)

Certainly we could go on forever about the deals the CPR has pulled over the years, including the real estate deals some of us question.

We in the New Democratic Party insist that the Crow rate was an agreement of Confederation and must be maintained as a national commitment, assisting everyone in Canada. We strongly support and urge the improvement of the transportation system to serve all parts of Canada. We need improved rails, new tunnelling, a boxcar industry, and we need that in British Columbia once again as well as port improvements. These are essential to Canada's economic recovery and the creation of jobs.

Money should be invested in improved transportation. We have advocated that $550 million a year be invested, but again with equity return so that Canadians will have control. We are also concerned about the coal agreements.

Mr. Deputy Speaker: I hesitate to interrupt the Hon. Member but the time allotted to her has expired.

Mr. Girve Fretz (Erie): Mr. Speaker, I think the Crow rate reforms are just another shabby example of the Liberal Party's dedication to the philosophy that the end justifies the means. The Prime Minister (Mr. Trudeau) and his Cabinet know

exactly where the badly needed votes will be coming from in the next federal election and they will do anything in their power to make sure those votes are assured, even if that means creating disunity in a country that all of us in this Chamber love—well, most of us anyway. They will do that even if it means permitting drastic weaknesses in our agricultural economy.

Yes, we are aware that the Minister of Transport (Mr. Pepin) has to some degree anyway studied the question of the Crow rate. We do not question his dedication to what is a very involved problem. We are aware that the Crow rate, as it now stands, is not without its imperfections. It is true that the rate of 1897 is not applicable to today's world. Yet the Minister's so-called solution really just creates another problem. The headaches caused by this proposal, if passed in its present form, will make past problems seem minimal by comparison. Nowhere in the new proposals can there be seen the slightest application of common sense or a sense of justice. Any notion of responsibility to the country as a whole I believe, is non-existent.

The Minister has shown himself to be agreeable to the wishes of an alliance of self-interested individuals and pressure groups. I would hope that he would now have the good sense to pay close attention to those who have the courtesy to point out to him that the present course of action is indeed sheer and utter folly. I wonder if the Minister realizes that the repercussions of this decision will be drastic and also long lasting? Is he aware that this could cause the secondary agricultural industry in the West, particularly in Alberta, to die?

I speak not as a westerner but as an eastern Canadian and an Ontarian who values the place of the western Provinces in Confederation and who deplores any action which tends to give them second billing. After all, where are the great wheat producing areas of our country? Where do we in the East obtain the materials which give us the prosperity we now enjoy? We all know. Indeed, the Minister knows. Yet he is about to cause an upheaval in our country which can only add to the great feeling of alienation shared by many and perhaps most westerners today.

As Dr. Gilson pointed out in his report, the distortion resulting from the Crow hampers all agricultural sectors in the Prairies, creating problems which are growing worse with inflation every day. The Crow is indeed a disincentive to railway investment, and the grain producer can no longer be assured of an adequate and responsive system to move his harvest.

I think the objective should then be to deal with the distortions and provide incentives to the railroads. It is hard to disagree that the freight rates must effectively be raised but the way to do it is certainly not to provide such huge subsidies to the railroads and then nothing to the farmers. The record of farmers is good. They have done more for the reputation of this country than any single group in Canada's history. Our bargaining power with the Soviet Union and China is a direct result of our massive grain exports to those countries.

Let us look at the reputation of the railways, Mr. Speaker. The name of the game has been branchline abandonment. Passenger service across this country is fast becoming a joke. Lines that were paying for themselves, for example the Atlantic run, just recently let go, and the Barrie to Toronto runs, have been cut back or dropped entirely. Meanwhile, mismanagement and overpayment of high officials are the real cause of the heavy losses incurred by the railways. Yet look who is receiving the subsidy.

Let us discuss further the potential for job losses. It is interesting to note the conflict between the Crow rate proposal and the special recovery program outlined in last month's sneaky-leaky budget. That program was designed to save jobs and the Crow rate proposal is guaranteed to destroy them. Thousands of jobs in the feeding, meat packing and food processing industries are going to be lost in the western part of our country.

Is it any wonder, then, that our Party is upset? That is where a great deal of our representation is from. We represent the western people and therefore we are truly the only national Party in this country. The Liberals have no stake in that part of the country, yet it reflects badly on them that they have chosen to ride roughshod over the best interests of that very important area.

I believe, Mr. Speaker, that a powerful Quebec lobby is looking to its own best interests, realizing that the original Crow revision will have inevitably led to more agricultural diversification in the West. The areas of livestock processing and marketing of products are not the exclusive property of Quebec entrepreneurs. Is it just that they should have a monopoly on this? Is it fair that the West remain the raw material provider for the rest of the country instead of enjoying its own industry and the accompanying benefits? My answer is, I think not.

In some ways I very much admire the Minister of Transport. He has made an effort to persuade powerful Quebec Cabinet Ministers and the 74 Liberal MPs from la belle province to show some national spirit and some respect for the legitimate aspirations of the western Provinces and accept the proposals he outlined. Yet, selfishly, without long-term thought, they brought intense pressure upon the Minister to produce a half-baked compromise which brings out all the worst parts of the Bill and replaces the good ones.

The straight subsidy to the railroads, by far the most significant change in the proposal, can only add to the tragic list of plant closings in the meat processing industry in the West. Meanwhile the Quebec industry will profit. Pork producers, subsidized at great cost to the taxpayers, are living high off the hog in Quebec. Alberta now plays second fiddle to Quebec in that department. Is it really fair then, Mr. Speaker, that grain grown in Prairie fields can be bought as cheaply in Quebec as in Alberta? The Quebec producer does not have the same shipping costs as the Prairie beef man. However, he can have his livestock to market the same day with little or no weight loss. The Prairie beef producer ships his cattle East,

which takes days, at considerable cost in shrinkage and shipping. No wonder farmers are going bankrupt today.

Do the huge subsidies to the railroads guarantee that branchlines will not be abandoned and that good service at reasonable rates will be provided? I heard someone in the House say that the Minister has heart, and someone else said he is heartless. Maybe he has a carburetor instead of a heart, I am not sure, but he certainly should take another look at this Bill. I tend to doubt the Minister because of the past record of mismanagement. Listen to the tales of overnight closure of branchlines with the resultant death of full towns in the West. The trouble with a subsidy is that companies get used to them. They feel the word "efficiency" is no longer in the dictionary. They can go ahead and do whatever they please with the full knowledge that they will be bailed out when it is necessary.

● (1740)

Is my time running out? I have only three or four more sentences, Mr. Speaker; about 30 seconds.

In conclusion, I want to keep in mind the best interests of all Canadians. There can be no favouritism here. We are facing a major question of national unity. Regional differences are one matter, but political issues are at stake. Frankly, I think the proposal reeks of political engineering. In the long run, the future of our country is at stake.

I thank Your Honour for the extension of time.

Some Hon. Members: Hear, hear!

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I want to begin my short speech today by posing a question. Why is this major initiative to deal with the biggest transportation problem in the country today not worth careful and lengthy consideration by Parliament? Why is there this rush, this attempt to impose closure? Why is there such a decision by the Government, which it forces through because it has a majority, that the hours the House sits shall be extended to 11 o'clock in the evening three nights a week?

The proposed change in the Crow rate contained in the Bill at the present time, represents an attempt by the Government to impose an historic change on a region of Canada, western Canada, in which the Government has no members. I suggest that with a polarized Parliament such as this, in which the Liberal Government has no Members from the area where the legislation with which we are dealing will have such a major effect, it will change the established rights of that part of the country in a way and to an extent we have never seen before. I suggest that when those kind of changes are being brought forward, a Government which cares, one which wants to keep the country together, should have moved cautiously in wiping out the Crow rate, regarded by so many people in western Canada as being their Magna Carta.

People in western Canada and in Atlantic Canada have felt for many years that they are second class citizens, that their interests are sacrificed for the benefits of central Canada, for the benefits of Ontario and Quebec. The kind of provisions contained in this Bill will go a long way toward convincing many people in western Canada that their fear is justified.

It has been argued by the President of the Canadian Chamber of Commerce, in support of the Government's plan, that it would put almost $1 billion into industrial, transportation and agricultural developments all across Canada. That is true. However, one must ask where that money will come from.

If one asks that question, one finds the answer to be very clear. The money would come from the pockets of Canadian farmers. Where would they obtain that money? They could not increase the price of the grain they sell, because if they did they could not compete with the Australians, the Americans or the Agentinians, all of whom are in very stiff competition with the Canadian farmer for their share of the world's grain market. Therefore, the Canadian grain farmer or producer would find his income reduced by the amount of the increase in the cost of transportation.

What would the Canadian farmer do? He would have to reduce the money he now spends and has spent for farm equipment, automobiles, trucks and other consumer goods. That would have an immediate effect on the farm equipment manufacturers and on the automobile companies, because they would use less steel, less rubber and less of all the products which go into producing the very heavy equipment they sell, and of which the farmer is a major, if not the major, purchaser.

The plan is supposedly to pump $16 billion into upgrading the transportation system. The farmer is told that it would only cost him 2 cents a bushel in the way of an increase. We know and the farmers know that that is just a beginning, that in fact, the increase will rise every year so that he will be looking at an increase in transportation costs over the next eight or ten years of something in the neighbourhood of 400 or 500 per cent.

There are people who are scandalized by the idea that a freight rate established in the 1890s should still be applied in the 1980s. Those people should remember several things. They should remember the principle of taxation, which is that any old tax is a fair tax, and any new tax is an unfair tax. It is true that 90 years have elapsed since the Crow rate went into effect, but all Governments since that time have had opportunities, which they have used, to review the Crow rate legislation and to change it. It has been scrutinized and examined by three or more Royal Commissions. All of them recommended against any change.

I am not opposed to a change in the Crow rate agreement under certain conditions. What are the conditions as I see them? The Crow rate was part of a package agreement. The railways agreed to move grain at a very cheap rate. They received compensation, the compensation being millions of dollars in cash grants, which they are still receiving, and millions of acres of land, some of the most valuable acreage in Canada. The Cominco property in Trail, B.C., was part of the land which the CPR received. Therefore, if the Government or anyone else wants to renegotiate the Crow agreement, I say let us renegotiate the whole agreement. We will ask the farmers

to give up the cheap rate for moving grain if and when the CPR gives back the money and the land which it received as part of the package.

Some Hon. Members: Hear, hear!

Mr. Orlikow: That would be a fair deal and one to which I, and I think all Members of our Party, could agree.

The Canadian Pacific is one of the largest, if not the largest, corporation in this country. How did it get that way? It was as a result of the initial cash grabs and the land and other concessions it received. It would take me more time than that allotted to me just to list all the companies which the CPR owns—

An Hon. Member: As a result of what we gave them.

Mr. Orlikow: —as a result, of course, of what we gave them and upon which they built. I looked in the *Financial Post's* report on companies and found that CP Limited, in 1981—I will not list all the companies—had total assets of $16 billion. As far as I can tell, that does not include Cominco, of which it is a major shareholder, which had assets of more than $1 billion. It received that as a result of the deal it made back in 1890. We ought to keep that in mind when we speak of giving the hundreds of millions of dollars which this revision of the Crow rate will provide.

We in our Party are not opposed to modernizing and upgrading the railway system. How could I be opposed to that when I represent so many railway workers? Both the CNR and CPR in my city have recently had closures lasting for two and three months at a time. They have put thousands of workers who have worked for the company for up to 30 years on lay-off, for the first time in their history.

• (1750)

I have told the Minister of Transport (Mr. Pepin) that this is idiotic. We know that our shipments of grain, sulphur, coal and potash will increase greatly in ten years. I have been telling the Government for the last couple of years that now is the time to modernize the system. We are not opposed to modernizing the system. We want the railways to get on with the job of upgrading their system in order to move all of our goods.

However, we do not want this to be done at the expense of the farmers or at the expense of the railway workers. We say that the farmers should not be required to shoulder the capital burden, as we believe this Bill will force them to do, that will be required to move the coal, sulphur, potash and other bulk commodities. We say that this Bill does not accomplish that, and we are opposed to it for that reason.

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

Mr. Gordon Gilchrist (Scarborough East): Mr. Speaker, I wish to join my colleagues in today's ongoing debate on Bill C-155, the Western Grain Transportation Act, or the Crow rate as it is commonly called, because of its unquestioned importance to all Canadians. Although I usually only participate in debates relating to the scientific and industrial development of our great country, I feel I should make my views known on this important Bill because, as all Members know, it does not affect only one particular part of Canada, namely the western region, but every other part of Canada as well.

The controversy over the Crow rate has resulted in a national debate on the topic, as it well should. The Crow rate is a special rail freight rate that is applied to the transportation of export grain and stems from an agreement between the federal Government and the Canadian Pacific Railway back in September of 1897. As part of the agreement, the CPR agreed to maintain the Crow rate in perpetuity in return for land and federal aid in building the railway in the mineral-rich Kootenay region of southern British Columbia.

A short while ago I had the opportunity to briefly discuss this Bill with a number of my constituents at a brunch in my riding. One of my constituents stated that he felt the Crow rate was, in his words, a western problem and that as a resident of Ontario he did not feel he had very much at stake in this issue.

Regrettably, my constituent was wrong. It has been demonstrated decade after decade, in country after country that a healthy agricultural community is the basis for a healthy and strong economy of a country as a whole. This is particularly true in Canada's case where we depend on billions of foreign dollars to come to Canada to pay for the wheat and other grains we export.

As transportation costs are a big item in any farmer's budget, and because the Government of 1897, unlike the present Government, wanted to protect this important industry, the Crow rate was imposed upon the railroads to ensure that distance would not be a fatal charge for the wheat growers. In return for the special rate imposed on the railroads for the benefit of farmers the railroads were given vast grants of land and other concessions in perpetuity for the benefit of the railroad.

There is not a farmer anywhere in the West in any community who will argue that the rate set so many years ago should apply in the same terms today. They will admit that times have changed. But the solution put forward by the Government to give the benefits to the railroads with no concessions at all to the western farmers is completely unacceptable.

Can anyone seriously argue that the railroads are being victimized by a fixed freight rate which is far below today's actual cost of grain transportation, while ignoring the huge gain in the asset value of the lands and concessions given to the railways when they entered into the agreement? If one argues that the lands cannot be taken back for today's value without destroying the railroads—unlike my friends to my left who somehow believe that the lands could be given back, destroying the railroads totally, to all of our disadvantage—then why should we not be as concerned about the other party to the agreement, the grain farmer who similarly could be destroyed? Perhaps we should consider giving proportionate shares in the

railroad to the farmers in return for increased freight rates. At least in that manner they would benefit from this one-sided solution to the problem.

Whatever solutions may lie ahead, it should not be to the detriment of one key segment of our society which year after year and at great personal financial risk grows and exports a renewable Canadian resource to the benefit of us all. While the Government may have nothing to lose in western Canada politically, the country has a great deal to lose if the Government continues to ignore what is a legitimate regional concern of the country, or how this Bill will affect the other regions of Canada.

If anything has resulted thus far in the debate, it has been a demonstration of the failure of the Government to understand Canada and those forces which bring it together and make it work. It has shown its failure to understand the differences so it can ultimately reconcile them.

Bill C-155 has widened the consensus gap. The country has moved further away from consensus on changing the Crow rate even since the announcement by the Minister of Transport to modify the Bill. Whatever general feeling or consensus existed in the West has disappeared. Not only are the grain farmers and the livestock producers bitter and angry, the modification to the Bill to make all payments to the railways has not entirely satisfied the pools. The Saskatchewan Wheat Pool is still asking for more changes.

Let us look for a moment at this piece of complex legislation which bears the Liberal trademark of complexity and bureaucracy. Let us examine why the statutory Crow rate is so important to western Canada.

The statutory rate is a constitutional pillar which provides stability, simplicity and certainty to western Canadian grain producers. At .05 cents a tonne mile, the rate has been a valuable tool for producers in their planning. The statutory rate is about the only farm input cost providing cost certainty to farmers. The statutory rate provided the historical, social and economic base of western Canada which was founded on the production, distribution and marketing of grain. The statutory rate was a trade off and acted as a counterbalance protection from industrial based central Canada. The statutory rate recognized that Canada, as a trading nation, must be competitive and it buffered farmers from the artificial and natural advantages of other grain exporting countries. The statutory rate recognized that grain and oil seeds were natural assets to Canada, contributing positively to the balance of trade and economic spin-offs.

There are a number of ways in which this Liberal Government has betrayed the statutory rate and Members should know why our Party opposes the existing Bill. First, the principles of the statutory freight rate are not retained in this legislation. There is no guarantee of international competitiveness for the future.

Second, the freight rate structure will provide for openended escalation without consideration for farmers' profit positions or the value of grain. The National Energy Program has escalated the cost of gasoline and diesel for farm equipment and has also driven up the other major cost factor, agricultural chemical fertilizers, to the point where a bushel of Canadian wheat costs over $1 more than in the United States. This latest Government bungle will further hurt the western farmer.

Third, the 31.1 million tonne cap will provide a disincentive to increase grain production. That is amazing. Any company sales manager knows enough to increase a salesman's incentive by offering greater reward for increased volume. Only a bungling bureaucrat could come up with a system that penalizes a farmer for producing more wheat and revenue for Canada.

Fourth, the blended freight rate and the prospect of variable rates will create a further disincentive.

Fifth, the Bill is a costly mechanism which will pay bureaucrats to produce more paperwork rather than farmers to produce wheat.

Sixth, the Bill will further mitigate against diversification and processing of agricultural production in western Canada.

Seventh, the Bill is overly generous to railways while neglecting the alternative means of shipping, such as commercial trucking or the farmers' own trucks.

Eighth, no provision has been made to reduce rates if costs should fall.

Finally, there are inadequate rail service performance guarantees and no incentive for the grain transport system to be cost effective and efficient.

We in this Party are not without positive suggestion and ideas with respect to this Bill and we have made them. The Government of Canada and the railways have a continuing obligation to provide a special low rate to assist Canadian producers competing with subsidized grain export nations or this valuable export of renewable resources will decline.

As well, producers should be guaranteed an efficient, cost effective and reliable grain transportation system. Producers should have the option, or choice, to ship their grain in the most cost effective way, whether by truck or train, rather than in certain instances being locked into inefficient local grain storage elevators and poorly serviced branch rail lines which, in many cases, simply adds to the cost of the product, reduces the farmers' profits, does nothing for the railway and serves the country badly. I believe I have one minute left, Mr. Speaker.

• (1800)

Mr. Deputy Speaker: Approximately.

Mr. Gilchrist: The distortion of the low freight rates in grain and oilseeds vis-à-vis processed products should be removed and the natural advantage retained. Western Canadians have the right to jobs too. Grain producers must have a statutory freight rate which preserves the benefits of the Crow and must be protected from open-ended escalation.

We are dealing with what is probably one of the most important pieces of legislation to be brought before the House

in this session. This Government must not continue to act in its usual cavalier way but stop, look, and listen to what responsible and knowledgeable people are saying is wrong and damaging about this Bill.

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

Is the House ready for the question?

The Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly).

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I rise to speak in support of the amendment of the Hon. Member for Regina West (Mr. Benjamin), that Bill C-155 be given a six-month hoist. I do so because the Bill is a confusing piece of legislation. It incorporates three different principles, and we should not have to deal with them all at the same time. It is not good legislation.

Simultaneously, the Government has done a good job to persuade some people that this legislation will benefit them. In British Columbia particularly there are some sectors of society and the economy that feel this amendment to the Crow legislation will be beneficial. Most of us who are Members from British Columbia have received telegrams from major forest industries urging quick passage of the Bill. I note that on June 10 the Hon. Minister of Transportation and Highways for British Columbia spoke before a ports convention. I shall read some of his comments:

> We also recognize the importance of passing the legislation before Parliament rises at the end of this month. The changes that are proposed by the federal Government are critical to western Canada, its industry, its transportation system, and its communities. Like our national ports, the railways need a commercial base and a commitment of financial resources that will allow them to put the capacity in place that will be needed to move our resource products to world markets. There will be no point in developing our ports to handle growth if development plans are not matched by the railways.

Unfortunately, for the people of British Columbia, the Minister of Transportation and Highways, Mr. Fraser, sees only one aspect of the change. He isolates one factor and then uses it to suggest that the entire package will be beneficial to the people of British Columbia. That is just not the case because it ignores two basic things. First, by doing away with the statutory rates on grain shipments and allowing increased costs for shipping grain it opens the door for the possible diversion of grain to American ports in the Louisiana Gulf states because of higher Canadian freight rates. We have to ask what effect this will have on major British Columbia ports such as Prince Rupert, and especially Vancouver.

It has already been pointed out today that both the CN and the CP are involved in trying to gain control of old railways in the United States. We have to ask what is the purpose of that if it is not to serve as a way of funnelling Canadian goods through the United States? What is the purpose of us having American lines in the midwest? I suggest it is for export.

The second factor is especially important to British Columbia. It involves the Dominion coal lands. On March 15 my colleague, the Hon. Member for Kootenay East-Revelstoke (Mr. Parker), raised his concern and the concern of all Members of this Party about the 50,000 acres of Dominion coal lands, worth some $450 billion, which were turned over to the Dominion Government as part of the original Crowsnest agreement. Clause 62 of the Bill leaves these lands with the federal Government. If this agreement is ended, why are these lands not to be returned to British Columbia so that the people of B.C. can begin to enjoy their benefit?

These lands are the richest coal lands we have in the Province at the present time, yet this Bill leaves them entirely at the mercy of an order in cabinet so the CPR or some corporation can get them again. The people of B.C. are not getting them again. That is why I and other Members of my Party would urge the Government of British Columbia to take a closer look at this Bill, and realize it is not totally favourable to the people of B.C.

It is not just wheat, but the total economy of our country that is involved. Other speakers in our Party from Ontario have pointed out the detrimental effects this Bill can have on the farm machinery implement sector of their economies. Of course, in our Party we are not only concerned about British Columbia, Ontario and the Prairies, we are concerned about the totality of the nation. We see this as one nation. We see the injury to one part of the nation as an injury to the entire nation.

In that connection I would like to read a short passage from "The Rowell Sirois Report" as follows:

> Without the construction of all-Canadian transportation facilities and an appropriate structure of freight rates (and the huge public assistance which that entailed) each of the regions would have linked up with the railway system of the United States. The connections between the various parts of the country would then have been made through the economically and politically aggressive neighbour to the south. This development would have been much less costly; it would have avoided the vast overhead of bridging great physical barriers, and it would have enabled the most intensive use of facilities already available. With the lower costs which this would have permitted, the export industries would have expanded further, the rise in the value of their natural resources would have been greater and the income obtained would have been larger. There would, however, have been no secure economic basis for a Canadian nation. Hence purely economic criteria were put aside for the creation and maintenance of a political entity.

I suggest those comments are as true today as they were in the 1930s when they were written. An injury to one part of the nation is an injury to all. If we open up the way for the diversion of Canadian grain to American ports, we will be harming British Columbia. If we reduce the cash income of prairie farmers we will be doing damage to the manufacturers in Ontario.

Certainly people in our Party have documented the negative effect these changes will have on Canadian farmers. There will be a 500 per cent increase in the cost of moving grain between now and 1991. This will force small and medium-sized farmers off the land. We have seen the results in my Province of federal government policies and the way they have forced small and medium-sized fishermen out of their jobs. Now we see the same kind of thing being applied to farmers.

We are concerned about the effects of these changes on small communities. With variable freight rates there will be

much more use made of large trucks, branch lines, and branch elevators will be closed. Communities are going to be killed.

• (1810)

Our Party proposes that this Bill should be divided into three sections. This was raised as a point of order this morning. It was also raised in a letter from our House Leader to the Government House Leader over a month ago, in which he suggested:

It is the opinion of the New Democratic Party that Bill C-155 is an unacceptable omnibus Bill that must not proceed in its current form. At second reading, Members of Parliament are required to vote on the principle of the legislation. With only a single vote, Bill C-155 would require Members to pass judgment on three distinct and vital issues. Attempts to speed legislation through the House in this form have not proven successful in the past and they result in unnecessary confrontations in the Chamber. We propose this—

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member but his time has expired.

Mr. Manly: Could I have just a minute to finish this letter?

The Acting Speaker (Mr. Corbin): Is there unanimous consent for the Hon. Member to continue his remarks?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Corbin): There is not unanimous consent.

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, an article appearing in the April 15 edition of the Vancouver *Sun* criticized British Columbia Members of Parliament for not presenting the Province's case for changes in the Crows-nest freight rate structure. The person responsible for making this assertion was no less than Mr. Don Lanskail, President and Chief Executive Officer of the Council of Forest Industries of British Columbia, commonly referred to as COFI. In the article, Mr. Lanskail is referred to as one of B.C.'s best-known lobbyists. His ties to the federal Liberal Party are well known and his Liberal credentials are impeccable. Not long ago he was rewarded by an appointment to the Board of Directors of the Canada Post Corporation.

Mr. Lewis: Some reward!

Mr. Greenaway: I remember hearing someone recount the events that took place when Mr. Lanskail, this good lobbyist, attended his first Canada Post Corporation board meeting in Ottawa. Evidently he was picked up at his Vancouver office by a limousine, handed a first-class return ticket to Ottawa, picked up at the Ottawa airport by a limousine and installed in a suite in the Chateau Laurier. When it came time to return to Vancouver, the same procedure held in reverse. Limousines and suites for the high-rollers; taxis, buses and rooms are for the great unwashed. No wonder it costs more to mail a letter than to ship a bushel of export grain.

On May 9 of this year I received my first communication from Mr. Lanskail in his position as president of COFI, urging me to support the Minister and his Crow legislation. Along with his letter was a document entitled "The Position of the Council of Forest Industries of B.C. regarding rail transportation capacity and statutory rates" dated August 1981. This was from the man who said in April of this year that British Columbia M.P.'s were remiss, if not late, in representing our Province on the Crow issue. Rather strange indeed that he saw fit to sit on a position paper for almost two years before it occurred to him that perhaps it should be shown to someone other than his Liberal friends in Ottawa. Perhaps he is overrated as one of B.C.'s best lobbyists.

In his letter, Mr. Lanskail proposes that we fully support the Minister's proposal, and also that we are expected to support the 1981 COFI position. If he had taken the time to re-read the 1981 paper he had hidden away, and to check it against the Minister's legislation, he surely would have noticed that the two are in serious conflict. For example, point four on page 13 of the COFI documents states, "Government funding should preferably be paid to the producers if a subsidy is required". They are advocating that Government funding should preferably be paid to the producers. Come, come, Mr. Lanskail, what are we to do? In your headlong rush to fall into line as a good Liberal, you have failed to amend your own position of 1981.

The other thing that annoyed B.C. Members of Parliament, and this was previously raised in the House by the Hon. Member for Esquimalt-Saanich (Mr. Munro) and the Hon. Member for Capilano (Mr. Huntington), is the telex received on May 9 by all B.C. Members from Mr. Ken Benson, President and CEO of B.C. Forest Products Limited. He also urges us to forget our responsibilities to the rest of Canada and to support the Government line. Being aware of the B.C. resource industries' situation, we can understand their position, and I will refer to this later.

However, what we could not tolerate was the fact that Mr. Benson had been clumsy enough to send his telex for distribution to the Prime Ministers office. This practice may be economical and efficient, but it may have been more effective if we had been approached via the same avenues available to most Canadians. Being lobbied courtesy the Prime Minister's Office does not sit well with B.C. Members. I suggest Mr. Benson and Mr. Lanskail have something to learn about lobbying B.C. Members of Parliament. Fortunately, many executives of the B.C. forest industry are not connected to the Liberal Party and to those good people who we have listened to well and attentively.

Let us now look at some facts about the Crow rate and British Columbia. The main argument for altering the Crow rate centres around the fact that there is little incentive for railways to improve their western systems. In particular, the forest and mining industries are concerned that capacity constraints will cause a bottleneck for the shipment of their products. This is a factor of increasing urgency, not only to these industries but to Canada's export markets.

For example, in 1960 grain dominated the bulk exports through the mountains to the West coast. By the mid-1970s,

coal had surpassed grain by tonnage in these bulk exports. The latest agreements to sell B.C. metallurgical coal to Japan and other Pacific rim countries promises to continue this trend.

In 1979, forest products from B.C. made up 60 per cent of provincial exports and almost 9 per cent of Canadian exports. In 1982, a total of 4.94 billion board feet of B.C. lumber was shipped by rail. Of that total, 3.6 billion board feet was exported to the United States. Comparatively, shipment by water accounted for three billion board feet and highway shipment accounted for approximately 2.4 billion board feet. Obviously adequate rail service is vital to the good health of both the lumber and mining industries.

In 1981 the Council of Forest Industries of British Columbia argued that rationing of western rail services was imminent because current rail capacity was going to be unable to meet the demand. This possibility has been delayed by the recession which caused severe cutbacks in lumber production. However, the point remains that rail service in B.C. must be improved in order for the B.C. economy to expand in coming years.

This does not mean that British Columbia should adopt the Government's proposals as outlined in Bill C-155. Probably of greatest significance is the fact that the current legislation fails to provide adequate rail service performance guarantees. Furthermore, there is no incentive for the grain transport system to be cost effective and efficient.

There is no doubt that this Bill is generous to the railways. Under this Bill the railways will receive 100 per cent of their long-run variable costs, 20 per cent contributions to overhead and 20.5 per cent contributions to capital. In fact, by 1990 the railways will receive a 100 per cent increase in the freight rate as compared to today. Mr. Carl Snavely, who has been commissioned by the Government on numerous occasions to determine the cost of moving grain, has stated that these provisions are too generous. Unfortunately, the Government has failed to ensure that money provided to the railroads will in fact be used to increase service at a rate required to increase and improve the system. Furthermore, for the forest and mineral sectors, there is an added disadvantage in that the British Columbia Railway will not benefit from such subsidies. Therefore, services provided by B.C. Rail will be slower to improve. Furthermore, there are no benefits to truckers in the proposed legislation.

All in all, the proposals outlined in Bill C-155 fail to provide the necessary measures to guarantee the improved service required by the B.C. resource industries which depend so heavily on the country's transportation system.

I would now like to briefly discuss how cattleman in British Columbia will be affected by changes in the Crow rate. At present, the Crow rate causes higher pricing for grain for feed in the West. The Crow artificially keeps transportation costs below what they will be without the price ceiling, so farmgate prices are higher in the west than they would be without the Crow. These higher prices reduce livestock production in the West.

Would the proposals of the Minister of Transport (Mr. Pepin) alleviate this problem? Not at all. In fact, according to the Minister's own figures, these proposals will result in a loss of an additional $1 billion in livestock production and an additional $350 million worth of economic activity with respect to processing, packing plants and the feedmill industry in the West. This is not progress, Mr. Speaker.

The Progressive Conservative Party will propose an amendment which will make the Crow rate benefit optional. It will allow the producer the freedom to choose between methods of shipment and guarantee that railways will provide adequate service. We also propose that the railways should receive fair and adequate compensation in order to provide the necessary capital and maintenance of plant and equipment. We recognize that an increase in rail capacity is an absolute necessity and that railways will need extra funding to do this. However, this should not be at the expense of producers and adequate guarantees must be provided.

• (1820)

Finally, while I am a Member of Parliament from British Columbia, I am also a representative of all Canadians. It would be unthinkable for me to take any action which would be unfair to my fellow Canadians in other regions. Therefore, it is imperative that the Government ensure that prairie farmers retain the benefits of the Crow in order that they can compete with foreign producers who benefit from government subsidies. Failure to do so would be a disaster, not only to prairie farmers but also for the entire Canadian economy.

The proposals before the House today benefit neither the forest, mining nor cattle industries of British Columbia, nor do they provide a reasonable benefit sufficient for prairie grain farmers to remain competitive in the export market. For these reasons, the Government must adopt the amendments put forward by the Progressive Conservative Party when they come before the House.

Mr. Rod Murphy (Churchill): Mr. Speaker, I am very grateful to have a chance to speak on this very important Bill, but it is unfortunate that under the present rules I can only speak for ten minutes.

As the representative of the Churchill constituency, a number of my constituents expect me to fight and to fight as hard as I can to prevent the passage of this legislation. One of the main concerns the people in that region have about this Bill is that it will be a knockout, killer blow to the Port of Churchill. The very fact that within this legislation before us the Government will allow variable rates to be instituted means that the Port of Churchill will lose its natural advantage as the shortest route to Europe for a good part of the grain growing area.

As long as railways are forced to charge the same rate per mile, then Churchill has the natural advantage that it should benefit from. However, if the rail lines, as a result of this Bill, introduce variable rates which are much higher on the run from the middle of Saskatchewan to the Port of Churchill and lower on lines from the middle of Saskatchewan to either

Prince Rupert, Thunder Bay or Montreal, then the people who work on the rail line in communities like The Pas, Wabowden, Gillam and Churchill, and those who work at the Port of Churchill and live in those communities will suffer very, very much.

With that in mind, Mr. Speaker, I support the amendment of my colleague from the New Democratic Party that this Bill be given a six month hoist. This Bill is not just a minor piece of legislation. This Party has always supported the traditions of the House of Commons. This Party which has been led in the House for so many years by the Hon. Member for Winnipeg North Centre (Mr. Knowles) has always worked to try to get reasonable legislation through the House of Commons. But now we have been forced to take extra actions because to many, many western Canadians, this Bill is completely unacceptable. I could argue that because the Government has only two Members who represent constituencies west of the Ontario-Manitoba border, it has lost touch with that region. Perhaps that is true, or perhaps the few people it does listen to from western Canada have lost touch with the majority feeling in that region.

If I may, Mr. Speaker, I would like to read an advertisement that was placed by the Manitoba Government in the *Winnipeg Free Press* of Saturday, June 11, 1983. It is a full page advertisement paid for by the Government of Manitoba. The program of the NDP Government in Manitoba is supported by the minority Party in that Province, the Conservative Party. The ad reads:

DON'T EAT CROW! JUST BECAUSE IT'S PUT IN FRONT OF YOU.

Mr. Blenkarn: That is only temporary. That is what is going to happen to you; you are crow.

Mr. Murphy: I wish the Hon. Member from the extreme idiotic fringe of the Conservative Party would be quiet. This is a serious matter. I recognized that Members of the Conservative Party in the Province of Manitoba support the NDP campaign, and I would hope that Members would take the issue seriously instead of playing small minded and cynical games. If they wanted to play—

Mr. Blenkarn: There is no mind over there, never mind small minds.

Mr. Murphy: If Members of the Conservative Party want to play political games in the House, let me mention that they are only putting up one speaker to each of our speakers, instead of the three speakers they would put up to each of our speakers if they were really opposed to the passage of this legislation.

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Churchill was given the floor to make a speech. He should not be interrupted.

Some Hon. Members: Why not?

Mr. Blenkarn: He is not making a speech, he is making a political statement.

Mr. Murphy: Far be it for any Member of the House to make a political statement, Mr. Speaker.

If I may continue by reading the ad that is supported by both Parties that have elected representation in the legislature in the Province of Manitoba, the Government and the other Party, as follows:

DON'T EAT CROW! JUST BECAUSE IT'S PUT IN FRONT OF YOU. We refer of course, to the present CROW rate issue that the federal government has placed before the people of Manitoba, and Canada. In an attempt to increase the farmers' cost of shipping grain from the prairies, the Trudeau government is trying to pass off the Crow changes as being good for our farm industry. They aren't! If anything, the proposed rate increases will have damaging effects on Manitoba's farm industry! And, that's more than a farmers' concern, because whatever affects our farm industry in the next decade will have a serious effect on the entire Manitoba economy. Changing the Crow Rate means losing jobs now (at the worst possible time) and for years to come.

Sure! We need an improved rail transportation system, but changing the Crow is not the answer. When the farmer loses, Manitoba loses. You, as a proud and concerned Manitoban, have a decision to make. Do you take a stand . . . or, do you simply eat Crow? For further information, or to register your concern, please call collect. 944-2004.

Mr. Parent: What is going on here?

Mr. Blenkarn: If the Crow answers, hang up.

Mr. Murphy: The ad concludes:

NOW IS NOT THE TIME TO EAT CROW.

What I am trying to point out, Mr. Speaker, is that the people who live in my constituency, and those who work on the rail line to Churchill, and at the Port of Churchill are concerned about the passage of this legislation.

The Manitoba Government, through a resolution supported by both Parties in that House, has expressed its concern for the passage of this legislation. The Hon. Member for Regina West (Mr. Benjamin) proposed the amendment that we hoist this Bill for six months. If accepted, it will meet the needs of those people in that it will give them the chance to organize opposition to the Bill. It will give them a chance to explain to Government Members why the Bill would not only hurt the Port of Churchill and the people who work on those rail lines, but would hurt the very economy of the Province of Manitoba and the other western Provinces. We are not talking about a benefit to one or two farmers or even thousands of farmers, we are talking about a benefit that helps the economy of western Canada. To kill the Crow is to kill that economy. To kill the Crow is to make the West even more alienated than it is at the present time. There is no use talking about reform of the Senate; there is no use talking about revitalizing the Liberal Party; talk about passing legislation which has the support of western Canadians. Obviously the legislation before us is going to kill our economy in western Canada. Obviously the petitions we have presented and those that we wish to present show that many, many western Canadians do not want this legislation to pass. That is why the motion of my hon. colleague should go forward. We should put this Bill on ice for six months and give western Canadians an opportunity to persuade the Government not to pass legislation which will hurt not only the farmer but the whole basis of the western economy.

• (1830)

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, when I first looked at the Bill I saw that it was a Bill for the movement of western grain. It should have been described as the railway subsidy Bill. It is a $651 million Bill to provide money for the railways. It does not require them to do a damn thing. They get $651 million per year for the next five years, then the situation is reviewed and we give them more money. They do not have to spend a nickle or a dime on track or improving transportation in Canada. This is a Bill to give $651 million to the railways.

If the Government were to present the Bill in that fashion, in that fashion only, and not tied to the movement of grain, then we might discuss the question of whether the Government of Canada should use the taxpayers' money to support the railways—but it proposes to tie it to the movement of grain. I say to you that there is nothing in the Bill that ties the subsidies to the railways and what the railways might do with that money for the movement of grain. The railways are not required to put down a single tie, lay a single length of track, or improve a single terminal. They are not required to do a darn thing but still, they get $651 million.

There may be some requirement in terms of moving grain and the products of the country but there is no requirement to improve the service or do anything other than they are doing already. It is a railway subsidy Bill.

My friend from the riding of Churchill spoke about the line owned by the Canadian National Railways which runs to the Port of Churchill. I have travelled that line by passenger train; it goes up and down through the muskeg; it carries freight cars provided they are not too loaded and provided the train is not too big or is not too heavy. You can get a train across that line although it is not much of a line. One begins to wonder why in 1983 we should have a railway line built to the standard and quality of that particular line. There is nothing in the Bill that requires the Government or the railways to use any of its $651 million to rebuild the line to the Port of Churchill. They do not have to rebuild that port either. There is absolutely nothing in the Bill. It subsidizes railways and does not do anything for the farmers or to improve the transportation of the country. The railways get money. Canadian Pacific may build up a bigger dividend and Canadian National may not have quite the loss it would normally have, but there is nothing in the Bill to require any improvement to rail transportation in the country.

Only certain parts of the grain growing areas of the prairie region are covered by the Bill. New land that may be opened up at some time and is not presently covered by the Crow rate subsidy is not included so it is only a portion of the grain growing area of western Canada that is included. It is not all protected by the Bill. This is a discriminatory Bill—a Bill that says Canada finished growing in 1982.

If you were to clear land in 1983 or 1984 and were to decide to grow grain, you would not be covered. The Bill is anti-Canadian; it is against growth in Canada. This Bill is designed to terminate Canada. This Bill is a central Canadian Bill formulated in Mount Royal where, as far as the Prime Minister (Mr. Trudeau) is concerned, Canada has already grown to its maximum capacity.

The new lands in Canada cannot be developed because they will be subject to penalty. They will not receive any assistance in terms of transportation. If crop is grown on those new lands they will pay the full rate. Only the existing lands are to be covered. What kind of Bill to build Canada is this? It is a disaster Bill. It is a Bill that really does nothing to create the growth we need.

Let us look at some other parts of the Bill. This Party has suggested some sort of system whereby the Crow benefit—and there is no question that there is a Crow benefit because those who grow grain are directly or indirectly receiving a subsidy for the transportation of their crop to the seaport—should be paid directly to the farmer. Why should it not be? The farmer should use the money in the way he wants to—to hire the kind of transportation he wants to hire. If that transportation involves the hiring of a tractor and semi to haul grain to Vancouver or Thunder Bay, so be it. Perhaps he then transfers it to a port in the United States.

One thing about tractor-trailer transportation in Canada is that it can be a two-way street. At the moment there is more tractor-trailer transportation of commodities into western Canada than there is transportation of products out from western Canada. A great deal of capacity already exists on tractor-trailers out of western Canada that travel empty. The capacity is there to carry a great deal of our grain to port at compensatory rates. That will not be possible if this Bill passes, however.

The Acting Speaker (Mr. Corbin): The Hon. Member for Ottawa Centre (Mr. Evans) rises on a point of order.

• (1840)

Mr. Evans: Mr. Speaker, I rise on a point of order as to the time. Are you sure the ten minutes have not expired? It seems like an hour and a half.

The Acting Speaker (Mr. Corbin): No, the Hon. Member has one minute left.

Mr. Blenkarn: Mr. Speaker, I am impressed with the capacity of the Hon. Member for Ottawa Centre (Mr. Evans) to understand logic. The Hon. Member for Ottawa Centre is only going to be in this House for a short period of time. He will have the opportunity to be here until the next go around with the public who will then have an opportunity to judge whether the Hon. Member for Ottawa Centre can keep time. I am saying to you, Sir, that what we should give to the people who grow the crops in this country is the alternative, the right to take other forms of transportation. The subsidy, the implicit subsidy in the Crow rate, ought to apply to the people who grow the grain. They should be able to use that subsidy, that implicit subsidy, to hire the transportation they want. They should not be tied to the railways. They should be able to use their own trucks. They should be able to use other railways

which are not already covered, as in the case of the British Columbia Railway. They should not be tied down to the monopolies, and that is what this Government wants to give them, the monopoly treatment.

I notice, Mr. Speaker, you are prepared to rise. However, please remember that I was interrupted by that funny fellow, the Hon. Member for Ottawa Centre.

Mr. Darling: Thirty seconds more.

Mr. Blenkarn: My colleague says I should have 30 seconds more. However, this matter requires a lot more than 30 seconds. We are dealing with a very serious issue in western Canada. The people of western Canada are entitled to fair treatment, to fair debate and to a fair understanding of their concerns. I say to you, Sir, that this Bill should not be pushed, rushed and mashed through by the Government, in this way.

Mr. Skelly: Mr. Speaker, on a point of order. I wonder if the House might consent to give the previous speaker, by unanimous consent, more time. Such bizarre concepts should be explored in greater detail so that a diagnosis could be attempted here.

The Acting Speaker (Mr. Corbin): Order. Under our rules it is for the Hon. Member who has the floor to request on extension of time.

Mr. Blenkarn: It would be a pleasure to ask for extra time. I am sure my friend, the Hon. Member for Ottawa Centre, would agree.

The Acting Speaker (Mr. Corbin): Does the House give its consent?

Some Hon. Members: Agreed.

Mr. Evans: No.

The Acting Speaker (Mr. Corbin): There is not unanimous consent. Debate.

Mr. Blenkarn: Thank you, Mr. Speaker, for the extra time—

The Acting Speaker (Mr. Corbin): Order. I must inform the Hon. Member that unanimous consent was not granted to the Hon. Member to continue.

Mr. Blenkarn: I was sure, Mr. Speaker, it was granted.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, at least the record reflects that we tried to assist the Hon. Member. There are occasions when no means yes, and it is unfortunate your ruling was in the negative.

It is a pleasure this evening to rise to speak on the amendment put forward by the Hon. Member for Regina West (Mr. Benjamin). There is no doubt that this particular legislation has caused a great deal of consternation across the country. It is a proposal to abandon a very long tradition in this country, a tradition which has supported one of the major economic sectors of the Canadian economy, the agricultural sector, as well as others, and it should not be abandoned in the way the present Government has decided. There is no doubt that there are a great many problems with our transportation system which have developed over the years. I would suggest, Mr. Speaker, that those problems in our transportation system are due in large part to the failure of the Government to fulfil its responsibilities and insist on investment by railways in upgrading the rail system in order to be provided with certain kinds of assistance over a period of time, and to insist that that rail system provide adequate transportation for goods and services in Canada.

The reason we are here today, Mr. Speaker, and I imagine it will be for a much longer period of time, is as a result of the tremendous controversy which exists in the country over this particular piece of legislation, this attempt to place on the backs of Canadians the responsibility which, in fact, should have been taken by the railway companies. I am referring both to the Canadian Pacific Railway and the Canadian National Railways. The Canadian Pacific Railway was given enormous concessions in the Province of British Columbia and, indeed, across Canada. I would like to deal just briefly with my own Province of British Columbia in which from Victoria to Seymour Narrows, some one hundred odd miles up the coast of Vancouver Island, the Canadian Pacific Railway was given a 40-mile wide strip of land, forest and mineral resources, provided that it build a railroad to Victoria and that it continue to operate that railroad. The system contained enormous resources of coal, of timber and of land. Today we find companies like Marathon Realty with enormous land holdings which are based on that original grant given for the commitment the railway made to the people of Canada. The timber resources were used to catapult Canadian Pacific into large shareholding positions in major forest companies, including MacMillan Bloedel. Undoubtedly, the coal situation was exploited as well.

What we have today is a rail line going up and down Vancouver Island which is in very poor shape and it is proposed that it be abandoned. That is the Esquimalt-Nanaimo railroad. This particular piece of railroad is of intense interest to the people who live on Vancouver Island. It symbolizes the betrayal of Canadians by the railway companies. In a small section of this country, one strip of railroad runs just basically between Victoria and Courtney and is of tremendous interest to the people of Vancouver Island. The railway company has struggled for years to abandon that piece of territory. It has taken all the resources, taken away the benefits provided by the lands, the forests and the mineral resources. Now that they are gone, it does not want to operate the rail system any more. It does not want to keep the railroad upgraded and continually it has tried to abandon that entire system. Potentially it is probably one of the most lucrative trunks of the rail system in the country. With some input, some sincere input from the companies which now operate services on it, there is no doubt that a very viable transportation system on Vancouver Island could be developed. That is an example of areas where the railway has not become involved in developing its service,

especially in the marketing area. The railroad owners do not market properly the services of transportation. There are new ski resorts, new tourist facilities by the drove on Vancouver Island. There is a tremendous influx of people into the capital city of British Columbia, Victoria. Certainly, those kinds of opportunities to develop new markets have never been taken advantage of by the railway companies.

There is also a tremendously successful venture which has been put on to capitalize on tourism by the Government of British Columbia with the Royal Hudson railroad system in which the old steam locomotives were brought back and run on a tourist section over a period of time, bringing back history and enhancing tourism. This has been proposed numerous times for Vancouver Island, but the railway companies reject it out of hand. They want nothing to do with that stretch of railroad. They do not want to enhance the transportation of goods. They do not want to enhance tourism. In fact, they are into far more lucrative activities. They do not want to run the railroad any more. It costs too much money. The railway guaranteed to run that system in perpetuity. It guaranteed to build it. It has failed in its guarantee and we should take back the resources and take the railroad business out of there. It should become a public venture, a public utility.

The legislation which is before us today is reprehensible. It is the responsibility of the railways to build a railroad system, an effective railroad system in Canada, and those companies have failed to do so. The Canadian Pacific Railway is attempting to take money earned in Canada and buy 800 miles of railroad in the United States, to build and operate. It is absolutely contemptible that a company which is going to attempt to load the costs of building and maintaining a railroad system in Canada, for which it obtained billions of dollars in resources, is turning around and telling the Canadian farmer and Canadian taxpayer that they must build their railroad system if it is going to continue to operate it, and at the same time removing capital earned in this country to invest elsewhere. The CNR tried to acquire 2,100 miles of rail on the old Milwaukee line in the United States. A Crown corporation was taking capital from Canada instead of building and running the railroad system here. They want to abandon it and place the responsibility on the backs of taxpayers. That is not good enough. As far as we are concerned, that legislation sits where it lies and it should be put back for another six months.

• (1850)

My colleague in the Liberal Party is worried about mixed metaphors. He should be more concerned about the taxpayer and about providing a decent railway system in this country. If we were giving serious consideration to hoisting this Bill for six months while we had a chance to deal with a more appropriate alternative, the Hon. Member would not be worried about mixed metaphors.

There is another point that should be put on the record concerning the role the Conservative Party has played in the whole debate. That Party does not put forward a policy for the Canadian people. It prefers to have it both ways, with its Members in their riding saying to farmers: "We are with you", but not coming into this House and standing up and fighting effectively with the numbers they have to hold this Bill until we can get better opportunities for the Canadian public. It is reprehensible that the Liberals and Conservatives are secretly together on this Bill. I notice some of them now stirring with concern, and I would be more than pleased to see them stand up—

Mr. Mazankowski: It is nice to see you smiling when you say that, Skelly.

Mr. Skelly: —in appropriate numbers to defend the taxpayers and farmers of Canada. I certainly recognize one or two individuals over there and I can have some respect for them, but as an organization they have adopted a tactic which is virtually immoral. There is a lust for power over there. They have their tongues hanging out down to their knees, yet to a man and to a woman they should be standing up in order to hold this Bill back. I see the Speaker is giving me an indication that time is running out before the full truth can be told.

Mr. Taylor: You have not said anything yet.

Mr. Skelly: There are some serious issues involved here, Mr. Speaker. It is hoped that this Bill will be delayed for six months until we have further opportunity to study the matter, look at the serious problems in the rail system and deal with them in a manner other than abandoning the Crow rate. There is no doubt that there have to be improvements in that rail system. There are serious problems in the lumber industry and with resource delivery, but they are not to be solved on the backs of Canadian farmers. The CPR and CNR cannot pass off their obligation and take billions in resources and then throw the rest of it on the backs of farmers.

Mr. Thomas Siddon (Richmond-South Delta): I am a little astounded, Mr. Speaker, at the remarks made by the preceding speaker, my good friend, the Hon. Member for Comox-Powell River (Mr. Skelly). He speaks with such great sanctimony about the lack of contribution from Members of this Party. He knows full well that the Hon. Member for Vegreville (Mr. Mazankowski) has spearheaded the debate and set out clearly the options the Government should have followed in dealing with this very serious problem. He also knows that Members of this Party are able to match that rag-tag group to my left speaker for speaker and person for person any time of the year in this House.

Mr. Deans: I remember when you used to insist on three to one.

Mr. Siddon: I do not know why he is so preoccupied with irrelevance when certain Members of the NDP in British Columbia have been hesitant to speak on this Bill because they are concerned about the forest and mine workers and everyone else in British Columbia—

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Vancouver East (Mrs. Mitchell) is rising on a point of order.

Mr. Kempling: the "Minnie Pearl" of British Columbia.

Mrs. Mitchell: Mr. Speaker, I must say that I feel it is time to set the record straight, that indeed many of us from British Columbia have been speaking very strongly on this Bill and that it is time that the present speaker recognized that.

Mr. Siddon: Mr. Speaker, that comment will receive the degree of attention it deserves.

What we are talking about here is something fundamental to the economy and history of western Canada. Although I presently represent a constituency in the mouth of the Fraser River where the only affiliation really with the railway is through the Roberts Bank super port, the port of export for the coal mined in the southeast corner of B.C., and of course I represent a Province where the forest and mining industries are very important, my roots, like those of many Members of this Party, are in western Canada. I grew up in a community in Alberta. In fact, I am honoured to say that when I was a small boy one of my honoured colleagues in this House, the Hon. Member for Bow River (Mr. Taylor), had been a member of the Legislative Assembly of the Province of Alberta for perhaps 25 years.

Mr. Deans: One hundred years.

Mr. Siddon: Perhaps he can speak better than I—

Mr. Deans: We noticed that.

Mr. Siddon: —of the origins of those people who went to western Canada in wagons, boxcars and rail cars to clear the land and build communities in a very hostile environment. I might say that I know the Hon. Member for Bow River has narrated the story about arriving in the coal mining community of Drumheller, where I was born, in a wagon in 1915. I do not want to date him but he can speak much better than I about how important it has been to have the benefit of the Crow rate in order to ensure that the promise of western Canada was realized by so many of us.

It was my own great grandfather, Mr. Speaker, who packed his family in a boxcar three springs in succession and moved into the foothills of Alberta to a place called Westward Ho and established a farm there. He had returned to Ontario each year because of the difficult conditions, but finally, because of a strong-minded wife and a desire to become a part of the West, they stayed and the family spread and many of my relatives went into farming in Alberta and Saskatchewan. I know just how important this Crow rate is and how important it is that we do not make any major alterations in this historic rate structure established in 1897 and confirmed by an Act of Parliament in 1925. It is so fundamental to the culture and underpinnings of western Canada.

I have recollections of hauling grain with my uncles to grain elevators. I drove my first vehicle sitting in my uncle's lap. It was a John Deere tractor. I remember putting posts in and working late at night in the Prairie dust where real men knew what real hard work was about. It would not have been possible to develop western Canada and build the communities, schools, churches, highways and all that has materialized in the West had it not been for this very fundamental measure, the statutory rate for shipping from those very bountiful grain-producing areas in western Canada. It is important that we recognize all of those pioneers and many new Canadians who came with the turn of the century to cut trees, pull stumps and set up small sawmills and clear land. Those same people singing songs around the piano are really part and parcel of the culture of western Canada. They would not have realized the great benefits they have today had it not been for this historical Crow rate structure.

My colleague, the Hon. Member for Vegreville, pointed out in this House a few weeks ago that farmers today are receiving $4.63 a bushel for wheat, and ten years ago they received $4.57. He pointed out just how little the price that is available to the western farmer has increased over the past ten years and how fragile is their situation, particularly in light of inflation in terms of fertilizer costs, land costs and interest costs, and the plight of the family farm which is susceptible to any major changes in the cost of shipping grain to port and to market.

• (1900)

Therefore, it is essential that the amendment proposed by the Hon. Member for Regina East (Mr. Benjamin) be supported in the House because, as I have pointed out, and as many of our colleagues have pointed out, this legislation and initiative, which has only been before the House for about five weeks, is so fundamental to the culture and to the future destiny of western Canadians that it cannot be passed through the House in the twinkling of an eye. We cannot allow the Government to run roughshod over the rights and aspirations of so many western Canadians.

If one reads the Bill and its provisions with respect to calculating the actual rate which farmers will pay, one finds that there will be an utter lack of predictability on the part of the western grain producer as to what his costs will be from year to year. It is a very complicated, bureaucratically designed formula which will make it impossible to determine. Faced with the fluctuations in world price structure for grains and other agricultural commodities, it will be virtually impossible for the western producer to have the security of being able to plan ahead to know what area should be planted, what amount of equipment he can count on purchasing, such as new tractors, combines and the like, because of the uncertainty which this sudden change will impose upon him.

I realize it is designed so that the increase in the rate for grain would be gradually phased in, and there is much talk of a healthy subsidy to the farmers, something like $650 million a year. But in fact this will not be a subsidy to the farmer; it will be a direct cash grant to the railways. It is the railways of western Canada that we thank for helping to bind together all those rural communities and, in my own Province of British

Columbia, the resource enterprises of the various saw mills, pulp mills and mining operations. Therefore, we are grateful to the contribution the railways have made to the development of western Canada, but we also realize that they have obtained considerable benefits in return for the services they have provided in building railways and communities and binding together the people of western Canada.

We now read that the federal Government, as one condition of this agreement, will completely disavow any prior commitments with respect to a major block of natural resource, and that is known as the Dominion coal block in the area of southeast British Columbia, in that this block of between one billion tonnes and 8.5 billion tonnes of first rate metallurgical coal will become a windfall to the federal Government if this legislation is allowed to proceed in its present form. In fact, that coal block was a gift from the Province of British Columbia in return for a guarantee that the railways would continue to modernize and operate their services throughout western Canada and to provide for the shipment of grain, timber, mineral products and everything else that is rolling on the rails. The federal Government will have realized a windfall of between $16 billion and $75 billion if the legislation goes through.

I think it is time we studied many of these factors in much greater detail. I therefore heartily endorse the motion presented by the Hon. Member for Regina East. I hope we can get on with passing it so that we can have this legislation set aside for another six months.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I appreciate this opportunity to speak on the Bill. I appreciate that once again we are hearing from two Conservative Members in a row, compared to my socialist friends to the left, who scrambled all day to find Hon. Members to speak in support of the legislation. I think this points to the difference between the two Parties. The NDP is interested only in obstruction. It has done nothing throughout this entire debate for the substance of the issue, and it has never addressed the substance because, quite frankly, Members of the NDP do not understand the substance, whereas in our case, we have worked to improve the Bill. We have demanded amendments. We indicated to the Government that we were not happy with the Bill as it came down. We indicated that the safety net is not sufficient for our purposes and, in fact, this was not even in the original Bill.

It was only through the efforts of the Hon. Member for Vegreville (Mr. Mazankowski) that we in the Progressive Conservative Party achieved the improvements in the Bill, meagre and insufficient though they are, whereas the NDP has no idea as to how to create improvements and improve the substance. We have seen that in the results of the election in Brandon-Souris, where the NDP was completely obliterated by the Progressive Conservative candidate, fortunately for the health of the nation and that seat.

I must admit that I listened to the debate on the six-month hoist with great amusement when I heard from Members of the NDP because, having placed on the floor the amendment asking for a six-month hoist, out of the other sides of their mouths they were saying, "Golly, there are some things in the Bill we like". It is hard to understand why they hoist it on the one hand and like it on the other hand. However, I want everyone in the House to know that we in this Party have waited with bated breath to hear the Hon. Member for Vancouver-Kingsway (Mr. Waddell), the economic guru of the NDP. We all waited to hear his words of wisdom. It is much easier to hear the words now. He shaved off his beard for the election out there. It did not help, the NDP lost. However, he shaved it off so that he could look a little more clean-cut. We thought he would come back after the election and shed some light on this Bill for us. He was here the other day, when the Cruise missile debate was on. He was here in his place, not in his normal seat, but in place for the picture, and afterwards he was gone. Here we have such an important debate, but we do not have the economic guru from the NDP to enlighten us all. That was a great disappointment to us.

I was amazed and amused to hear the Hon. Member for Comox-Powell River (Mr. Skelly). When he was finished, a page came up to him and asked him for his notes. I distinctly heard him say, "Do you think I would have made that speech and written it down that way?" Anyway, the page did not receive the notes.

Seriously, I want to speak for a minute or two about the importance of the Crowsnest Pass legislation. We in Ontario understand why the West feels so strongly about the Bill. There are a couple of reasons we understand. The first is that this Party, the Progressive Conservative Party, represents the country. We have the Members in the West to understand the full ramifications of what this Bill means to the West. It is a great disadvantage to the Party in Government that it does not have any Liberal Members west of Ontario. I am sorry, Mr. Speaker, it does have two. However, based on calibre, they do not really count. They just do not understand the depth of feeling that exists in the country concerning the Crowsnest Pass legislation.

It is quite evident to this Party that when the original agreement was signed, it was signed to give reduced rates for transporting grain across this big country of ours. It was pinned down to 5 cents a tonne mile from western Canada to the lakehead.

Mr. Neil: Half a cent a tonne mile.

Mr. Lewis: Half a cent a mile. Then, in 1925, it became a statutory matter. Be that as it may, as far as the actual legislation is concerned, what we are really discussing is what it means to the West, to the economic base of western Canada.

In the early years of our country, western Canada relied strictly on the grain economy. It was a big part of the economy of western Canada. That is why this statutory rate meant so much to western Canada. It was a subsidy for transportation. We understand that. We understand that this is a big country. It may not be all that easy for the people from Ontario and Quebec in the Liberal Party to understand that this is a big country, but we have the vision on this side of the House and can understand it. We subsidize the transportation of grain. We have no problem with that because we are subsidizing

other industries such as manufacturing and fishing. Can one imagine, when it comes to changing legislation, if the Kirby Report had been brought into legislation by being introduced on a Tuesday, debated on a Thursday and have had closure imposed on it on Monday? Can one imagine the Liberal Party doing that? Oh, no. That would hurt home to Liberal Members. When it comes to doing it to the grain industry, they have no hesitation in doing it quickly. That is what is behind the objections we have had to the actions of the Government on this Bill.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, the Hon. Member is misleading the House, I would like to think inadvertently. He knows very well that closure has not been imposed on this Bill.

Mr. Lewis: Closure has been threatened and hanging over this House for some time on this Bill, and the Hon. Member for Northumberland-Miramichi (Mr. Dionne) knows it. He knows that is the way the Government has operated some 18 times when it has brought in closure.

Mr. Ferguson: Rubbish.

Mr. Smith: Garbage.

Mr. Lewis: The Government has cut off debate and cut off free speech on at least 18 occasions. The only time it cuts off rubbish is when it cuts you off, my friend.

What did the Government do on this Bill? It introduced it on the Tuesday after two and a half years of press conferences by the Minister of Transport (Mr. Pepin). It started debate on the Thursday, carried it through the Thursday and the Friday, and then attempted to bring in closure on the following Tuesday. It was a threat of closure, a threat of closure. The Liberal Government fails to realize that this is a big country and that it takes a while for legislation and its full import to travel across the country.

By way of comparison with other legislation, I invite the House to consider the security service legislation which, putting aside the value of the Bill, at least is being carried forward properly. At least the process is proper. I give the Minister his due in that case. The Bill was introduced. Interest groups have had a chance to read it and to bring forward opinions. They have had a chance to inform Hon. Members of Parliament. There has been editorial opinion on it and a great deal of discussion. We feel that this legislation deserves the same treatment. This is why we have objected to this rush to judgment which the Liberal Party wants to make. We have not been given the proper length of time for the entire country to understand it.

I want to discuss the reasons we oppose this legislation. We feel that the principle of a fair statutory freight rate has not been maintained in this legislation. We feel that this freight rate structure will increase the costs to the producers of western Canada on an unfair basis, because they will be paying double the existing Crow rate by 1985-86. That will take an additional $160 million out of the economy of western Canada. In 1982, as a result of the high energy costs of the Government, which got in on the promise of low energy costs, the net incomes of farmers decreased 35 per cent due entirely to the Liberal Government. One does not have to be a grain farmer to understand that a 31.1 million tonne cap will provide a disincentive to increase grain production. If we are producing more grain, if our railways are rolling more often and we are putting more people to work, surely to goodness economics say that the price should go down, but the Government does not see it that way.

Mr. Mazankowski: And think of all the money spent on improvements.

Mr. Lewis: On improvements, certainly. Anyone who trusts the railways had better take a hard look at this Bill. Quite frankly we in eastern Canada do not trust the railways. The Government has let them get away with murder, whether it be VIA Rail, freight rates, CN or CP. Anyone who thinks that the railways will adhere to this without strict controls, which the makers and overseers of Canadair have failed to produce, or anyone who thinks that those people can control the railways, is really looking at this Bill with blinders.

I would like to conclude on that note. We oppose the Bill, but we will always do it based on thought, theory and in an attempt to improve it, not as the NDP does it, by pure obstruction.

Mr. Benjamin: Mr. Speaker, the amendment—

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Regina West (Mr. Benjamin), having moved the amendment, has already spoken.

Mr. Deans: There is no harm in trying.

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

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Corbin): Call in the Members.

• (2220)

And the division bells having been rung:

Some Hon. Members: Out, out!

Mr. Deputy Speaker: Order. The Hon. Member who has just arrived may sit in the House but he may not vote.

The House divided on the amendment (Mr. Benjamin) which was negatived on the following division:

(*Division No. 358*)

YEAS

Messrs.

Althouse
Andre
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Cardiff
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Coates
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gass
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Hees
Hnatyshyn
Hovdebo
Huntington
Jelinek
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitchell (Mrs.)
Mitges
Murphy
Murta
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Thomson
Towers
Wenman
Wilson
Wise—102.

NAYS

Messrs.

Appolloni (Mrs.)
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Berger
Blais
Blaker
Bloomfield
Bossy
Breau
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
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Dupont
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
Malépart
Maltais
Marceau
Massé
Masters
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Roberts
Robinson (Etobicoke-Lakeshore)
Rooney
Rossi
Roy
Savard
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Weatherhead
Whelan
Yanakis—120.

Motion (Mr. Benjamin) negatived.

Mr. Deputy Speaker: The Hon. Member for Kitchener (Mr. Lang) is rising on a point of order.

Mr. Lang: Mr. Speaker, I just wanted to indicate my opposition to the six-month hoist on this motion and my support of the Government.

Mr. Hnatyshyn: Mr. Speaker, I rise on a legitimate point of order. Earlier today the Government moved and carried a motion for extended hours. I should like to ask whether the fact that the Government Members refused to come into the House for four hours is a point of disorder.

Mr. Deputy Speaker: The Hon. Member does not have a point of order.

[*Translation*]

Mr. Claude-André Lachance (Rosemont): Mr. Speaker, it is high time Bill C-155 was referred to the Committee on Transport. The Bill is now being debated, and I simply want to say that the Crow rate is a matter that concerns all Members of this House. Consequently, I fail to understand why certain parties in the House are refusing to even consider the issue, with all its implications, before the Committee on Transport.

Mr. Speaker, there is no doubt in my mind that everyone agreed the system must be reformed—

[*English*]

Mr. Deputy Speaker: On what grounds does the Hon. Member for Hamilton Mountain (Mr. Deans) rise?

Mr. Deans: I rise on a point of order, Mr. Speaker.

Mr. Deputy Speaker: What is the point of order?

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: The Hon. Member for Hamilton Mountain seeks to be heard on a point of order. We have resumed debate and I have recognized the Hon. Member for Rosemont (Mr. Lachance). What is the purpose of the Hon. Member for Hamilton Mountain?

Mr. Deans: Mr. Speaker—

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. Order, please. Order.

Mr. Deans: Thank you very much, Mr. Speaker. I apologize for not getting to the point of order immediately but my light was not on—

Some Hon. Members: Hear, hear!

Mr. Nielsen: It never was.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, order. The Chair has recognized the Hon. Member for Rosemont.

[*Translation*]

Mr. Lachance: Everyone agrees, Mr. Speaker, that the rate system—

[*English*]

Mr. Deans: Mr. Speaker—

Mr. Deputy Speaker: Order, please. If the Hon. Member is rising on a point of order, he should state his point of order.

Mr. Deans: Mr. Speaker, you will be aware that earlier today I rose on a point of order that had to do with what I chose to call, in the language used by Erskine May, a complicated question. At the time I rose to discuss the matter you will also recall that the Speaker—the Deputy Speaker as I recall—indicated to me that the timing was inappropriate and that I ought to raise it when we are dealing with the main motion. We are now dealing with the main motion; therefore I should like to ask the indulgence of the House to put before the House—

Some Hon. Members: Oh, oh!

Mr. Deans: —the argumentation I was beginning to develop this morning.

Some Hon. Members: Order, order!

Mr. Deans: I find it a little difficult to do that properly, given the rabble—

Mr. Deputy Speaker: Order, please. The Chair has recognized the Hon. Member for Hamilton Mountain on a point of order.

An Hon. Member: What is it?

Some Hon. Members: Oh, oh!

Mr. Deans: Thank you very much, Mr. Speaker. I appreciate your intervention on my behalf. I do not know if you can hear me, but I cannot, try as I may.

Some Hon. Members: Oh, oh!

Mr. Deans: Mr. Speaker, you will recall that this morning I referred to page 380 of Erskine May, Nineteenth Edition, Parliamentary Practice. Under the heading "Complicated Questions", it says the following:

• (2240)

The ancient rule that when a complicated question is proposed to the House, the House may order such question to be divided, has been variously interpreted at different periods.

Erskine May goes on to say this:

In 1888, . . . the Speaker—

Some Hon. Members: Oh, oh!

Mr. Deans:

—ruled that two propositions—

Mr. Deputy Speaker: Order. I must again appeal to the House for order. It is difficult to hear the Hon. Member and I ask Hon. Members to pay attention, perhaps, and let the Hon. Member make his point.

Mr. Deans: Thank you very much, Mr. Speaker for again intervening. It is quite clear that certain Hon. Members, who shall remain unnamed, do not seem to care.

Mr. Nielsen: Name them.

Mr. Deans: Let me go back—

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order. Let the Hon. Member make his point.

Some Hon. Members: Hear, hear!

Mr. Deans: May I ask your guidance, Mr. Speaker? Given that the Liberal Members apparently do not want to hear the point at the moment, and given that this is the appropriate time to raise it, would you, Sir, be prepared to permit me to reserve the right to argue the point on Monday? The reason being that since we already have an agreement for tomorrow's House business, I do not want to disrupt the business tomorrow by raising the point and, thereby, denying the Government an opportunity to have its Bills—

Mr. Deputy Speaker: The Hon. Member has been recognized to make his point. He is invited to make his point.

Mr. Deans: I go back, then, Mr. Speaker, to—

Some Hon. Members: Oh, oh!

Mr. Deans: I am quoting from Erskine May. It reads:

In 1888, . . . the Speaker ruled—

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order. The Hon. Member for Hamilton Mountain has been recognized and I believe the Chair owes him the courtesy of at least allowing him to express

himself and to make his point. I feel it is an elementary courtesy that Hon. Members do owe to any Hon. Member of the House.

Some Hon. Members: Hear, hear!

Mr. Deans: I bring again to your attention the rule with regard to complicated questions. I point out to you that the application of the rule goes back to 1888, and I quote:

> In 1888, . . . the Speaker ruled that two propositions which were then before the House in one motion could be taken separately if any Member objected to their being taken together.

He goes on to say:

> Although this ruling does not appear to have been based on any previous decision, it has since remained unchallenged.

The key is as follows:

> A complicated question can, however, only be divided if each part is capable of standing on its own.

I submit to you, Mr. Speaker, that the question we now have before us, Bill C-155, is indeed a complicated question within the definition of Erskine May. I put it to you in the following way, Sir, for your consideration: There are three distinct principles contained within Bill C-155. Each of the distinct principles can be spelled out. Each one is capable of standing on its own merit. The principles are as follows: In the first section of the Bill, known as Part I, the Bill deals with administrative measures to facilitate the transportation, shipping and handling of grain. I submit that that is a question of principle, the decision on which should be made by the House of Commons separate and apart from the other parts of the Bill. The decision on the administrative measures to facilitate the transportation, shipping and handling of grain could be quite easily introduced in a Bill without either of the other two principles contained in this Bill being before the House of Commons. I will come back to that point in a moment.

The second principle contained within the Bill is the principle which speaks directly to the rates which will be established to be charged to farmers for the transportation of grain. I submit to you, Sir, that that is a principle quite different from the administrative measures to facilitate the transportation, shipping and handling of grain. The rates are a matter which could easily be dealt whith by the House of Commons in a separate Bill, as a separate principle.

The third principle in the Bill is the disposition of what is known as the Dominion coal lands. I put before the House, Mr. Speaker, that that principle alone, how the Dominion coal lands are disposed of and dealt with, is a principle which can stand on its own separate and apart from either of the other two.

I raise the three principles because I want to suggest to you, Sir, that it is important for parliamentarians to be able to vote as their conscience dictates on each of the principles. I suggest to you that the principle which speaks to the redevelopment and administration of the railroads is a principle in its own right, not necessarily hinging on whether or not there is a change to the statutory grain rates or to the Dominion coal lands. The principle of changing the statutory grain rate is a principle which can stand on its own merit and is not necessarily related to any redevelopment or upgrading of the railroad system, or to the disposition of the Dominion coal lands. I suggest to you, Sir, that the matter of the Dominion coal lands and its disposition is a principle separate and apart from the principle of the redevelopment of the rail transportation system and separate and apart from the imposition of any freight rate of any kind at all, grain or otherwise.

Therefore, we have three quite distinct questions before us and these are questions on which Hon. Members cannot necessarily vote en bloc. These are questions which deal with entirely different matters. There would be Hon. Members in the House of Commons who would want to vote one way or the other on how the Government of Canada should dispose of or deal with the Dominion coal lands. They would want to do that without any regard to whether or not we upgrade the railroad and without any regard to whether or not there are changes undertaken to the Crowsnest Pass arrangement as it applies to the freight rates charged to grain growers in western Canada. There are people in this House of Commons, men and women representing constituencies from all across Canada, who would want to be able to vote on the principle contained in the section which speaks to the redevelopment of Canada's railroad system, separate and apart from the question of whether or not there is a disposition of the Dominion coal lands, and separate and apart from whether or not there is a change which takes place to the grain freight rates as contained in the third principle. There are again Hon. Members who would want to vote one way or the other on the grain freight rates changes which are being proposed.

I suggest, Mr. Speaker, that there is ample evidence to show that Parliaments have in fact on a number of occasions dealt with complicated questions such as this by requiring that the question be split for the purpose of the vote, that the question be split into the three principal parts in order that each Hon. Member be able to exercise his or her responsibility in the way which he or she sees fit as they understand it, given that their constituencies may well have quite different needs and quite different priorities. The way this Bill is structured makes it impossible. It is necessary for an Hon. Member to vote on all three principles at one time whether or not that Hon. Member believes that the same vote is capable of reflecting his honest opinion as to how each of the three principles should be dealt with.

I would like to urge upon you that you give serious consideration to the implications of allowing a Bill such as this to proceed in the way that it does.

• (2250)

A Member who believes there ought to be a revitalization of the railroad system in Canada must vote on the disposition of the coal lands and must at the same time, with the same vote, vote on whether or not the Crowsnest Pass freight rate ought to be changed. That is wrong. Of course, the same is true with regard to the redevelopment of the railroads. I contend, Mr.

Speaker, that it is impossible for any Member of the House of Commons who can identify clearly the three principles involved—and I suggest surely no one would dispute those are in fact the three principles contained in the Bill—and who wants to vote on those three principles but cannot cast the same vote on each of them, is being deprived of his opportunity and obligation to vote according to what he believes is in the best interests of this country.

Some Hon. Members: Hear, hear!

Mr. Deans: I might say that it goes even to the privileges of Members of Parliament because one of the privileges of a Member of Parliament is the right properly to represent his or her constituents. That cannot be done as long as this Bill remains as one Bill to be dealt with in one vote, dealing as it does with three principles.

I will not take much longer, Mr. Speaker, but there are references I would urge you to look at. I point out that on January 26, 1971, Mr. Speaker Lamoureux said:

> There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

He was referring at that time to the very question of omnibus Bills, Bills with multiple principles. He was saying that there comes a time when the Government cannot simply go ahead and inflict upon Parliament its wish to amalgamate or put into one a number of principles and expect the House of Commons to be able to deal with them. He says that there is in fact a point beyond which the Government may not go in forcing Parliament to address itself to more than one question at one time.

In much the same circumstances, Mr. Speaker Jerome, in 1971, expressed some very deep concern about whether our practice in respect of Bills does in fact provide a remedy for the very legitimate complaint that a Bill of the kind being discussed gives the Government under our practices the right to demand one decision on a number of quite different although related subjects. Now, Mr. Speaker, I concede that one can determine that these subjects are related. At least two of them are. But they are quite different and they do meet the test of Erskine May that they are capable of standing on their own as separate pieces of legislation. I suggest that to require Members of Parliament to deal with this in the way the Government is doing would work to the disfavour and disadvantage of the obligation of Members of Parliament adequately to respond to their understanding of what is right within the parliamentary process.

I put it to you that there are numerous references worthy of consideration by the Speaker. I might say that I hesitate to go into them at great length because I am aware that the Speaker has available to him all the references applicable in this case. But I do point out that facilitating legislation is an important part of the parliamentary process, to make sure that legislation can in fact be dealt with in a proper and orderly way. I would urge upon the Speaker that it is quite clearly within his power, as is pointed out in Erskine May, to determine that there are in fact three principles—

Mr. Smith: Come on; this is the fourth time.

Mr. Deans: That is fine. There are in fact three principles; that the principles, though related, are not intertwined; that they do in fact stand individually as principles in their own right; and that the Government could have, without reference to either of the two, moved any single one of those principles and put it before Parliament in legislation to be dealt with as it would have been dealt with. There would have been no need to do either of the other two. I think that is really the test that must be applied.

Some Hon. Members: Hear, hear!

Mr. Deans: It is not a question of whether the Government wants to put those three things together. That is not the question. The question is whether it is necessary for those three things to be together in order for this Bill to stand. It is quite clearly not necessary for those three things to be in this Bill. It is quite clear that any single one of them could have, in its own right, been a Bill before Parliament. Any single one of them could have dealt with a concern of the people of Canada in its own right. Any single one of these principles could have been dealt with by Parliament as a separate Bill and disposed of without in any way infringing upon the operation of the other two. Therefore I urge you, I plead with you, that in order that Members of this House can properly deal with this Bill—and this is not to suggest that all three matters cannot be dealt with—they must surely be brought forward as three distinct and separate questions.

Mr. Smith: Mr. Speaker, I do not believe the Hon. Member for Hamilton Mountain (Mr. Deans) has a valid point of order at all. He has cited Erskine May, page 380, with regard to some quotations on the issue of complicated questions, to the effect that the House may order such questions to be divided. It says "may", it does not say "shall", it does not say "must". He then refers to a quotation which said that in 1888 the Speaker ruled that two propositions then before the House in one motion "could" be taken separately.

Mr. Deans: And were.

Mr. Smith: It does not say that they must be taken separately. What the Hon. Member is suggesting is that because a piece of legislation which may involve several principles is before the House, somehow it is necessary to divide it into as many pieces of legislation as there are principles contained in it. That is, with respect, an absurd proposition. What it suggests is that at some time we might have a Bill which contains several hundred clauses with perhaps 15 separate principles. Would that mean that we then had to have 15 Bills so the Hon. Member could vote his own way on each one? The Hon. Member is suggesting that you cannot make tough decisions or go through various principles one by one and then wind up with a package. In the final analysis you have to make a tough choice. You have to vote for or against it.

He has referred on a couple of occasions to the ruling of Speaker Lamoureux on January 26, 1971, and again those of Mr. Speaker Jerome in 1977, on May 11, but—

• (2300)

Mr. Deputy Speaker: Order. I call the attention of the House to the fact that it is now 11 o'clock p.m.

* * *

BUSINESS OF THE HOUSE

Mr. Lewis: I rise on a very brief point of order, Mr. Speaker.

Mr. Deputy Speaker: I will recognize the Hon. Member for Simcoe North, briefly.

Mr. Lewis: I raise a very brief point of order, Mr. Speaker. May I suggest, in the interests of orderly business, that this point of order be continued on Monday when the Crowsnest legislation is called again, rather than tomorrow.

Second, I would like to inform the Government House Leader that I have now had an opportunity to consult with my caucus with respect to the suggestion that Bill C-161, the Canada Student Loans Act, be brought forward tomorrow for passage tomorrow with one Hon. Member speaking on our side, and that we go through all three stages tomorrow in order that the students of Canada can receive the assistance which is badly needed in terms of today's economy.

Mr. Pinard: Mr. Speaker, I want to confirm that after having consulted with the House Leaders of both Opposition Parties, we have come to the conclusion that tomorrow the business will be in the following order: first, we will spend 45 minutes debating the electoral boundaries of the two Provinces which I mentioned earlier today. Then the first Bill to be debated will be the Student Loans Act. We have an understanding to pass the Bill through all stages with one Hon. Member speaking per Party. That would be followed, with the same understanding, by Bill C-148 and then by Bill C-147. Those involve the Farm Improvement Loans Act first, followed by the Fisheries Improvement Loans Act.

Mr. Lewis: Simply as a point of clarification, there is an understanding that the other two Bills, Bill C-147 and Bill C-148, will proceed through all stages tomorrow, but not necessarily with one speaker, but with sufficient speakers so that all three stages on both Bills will be completed.

Mr. Smith: I rise on a point of order. Yes, may I confirm, Mr. Speaker, that when this matter is called again, I will have the floor to complete my submissions on this point of order?

Mr. Deputy Speaker: The *Hansard* record will indicate that the Parliamentary Secretary was interrupted.

I now recognize the Hon. Member for Hamilton Mountain.

Mr. Deans: Al, will you shut up? I simply want to confirm that the agreement—

Mr. Kempling: What an ignorant bullhorn.

Mr. Deans: —indicated by the Government House Leader is in fact accurate and we will abide by it.

Mr. Deputy Speaker: Order. In accordance with Standing Order 45—

Mr. Deans: But we won't do it, then! I withdraw it!

Mr. Kempling: Little Ceasar.

Mr. Deputy Speaker: —a motion to adjourn the House has deemed to have been moved and seconded at this time. Therefore, the question is that this House do now adjourn.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

INDIAN AFFAIRS—FREEZING OF BAND TRUST ACCOUNTS. (B) BAND RESPONSIBILITY

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, in my question to the Minister on Tuesday, June 14, I made the Minister aware of the fact that I had received representations from both the Sarcee and Stoney tribal administrations about fiscal problems they are currently experiencing because of the incapacity of departmental officials to consult with band councils prior to forming and implementing policy decisions.

I want to be more specific today. The Sarcee tribal administration cannot agree to the stipulations in the H-12 Circular issued March 15, 1983 by the Department of Indian Affairs and Northern Development. As a result of this disagreement, the Band Council has not had access either to its capital funds or to its budget allocation. The Band Council, therefore, is forced to borrow moneys to finance current expenditures. Money urgently needed to provide for the needs of the community is being wasted on the repayment of interest charges on outstanding loans. Moreover, although the Band Council has alerted the Minister's office to the gravity of the situation in which they now find themselves, they have not yet even had the courtesy of a reply. The moneys that the Band Council is currently using to finance operating costs will run out by June 24, 1983.

The Stoney tribal administration has recently been informed that it is responsible for the repayment of approximately $4 million as a result of an alleged royalty overpayment accumulated over a number of years. Although officials in the

Minister's department have been aware of this potential problem since 1979, they did not alert the Band Council to this possibility.

• (2305)

Moreover, when the problem became a reality in 1981, officials from Indian Minerals West unilaterally negotiated with Shell Canada for a recovery process which began on January 1, 1983. At no stage in this process was the band council informed of these developments or consulted as to a possible resolution of the situation.

Although the particulars of these two cases are quite distinct, they both serve to exemplify the extent to which current policies of the Department of Indian Affairs and Northern Development are in direct opposition to statements made by the Minister of the Department. To prove this point, let me quote some of the Minister's statements in his appearance before the Standing Committee on Indian Affairs and Northern Development on June 7, 1983. He said:

> As part of my commitment to improving the conditions for native people, I have tried to foster an environment in which their governments have been better able to meet the needs of their constituents.

Despite this commitment, the current funding bypass between the Department and the Sarcee tribal administration will force the Sarcee band to close its administrative offices on June 24 of this year. The Sarcee people face that serious problem, and the federal Government has not taken the time to discuss funding problems with them or to negotiate a reasonable solution to this current impasse. This blatant example of the federal Government's inability to work with Indian governments is particularly surprising to me.

The Minister also said on June 7:

> It is important not only to understand what the place of Indian government in Canadian society should be, but also to understand how the Government and Indian people can work together to achieve our objectives for Indian government.

I sincerely hope that what I now see does not exemplify how the Government and Indian people can work together, for if it does there is little hope that Indian people can be optimistic about their future under this Liberal Government.

It may seem that I have been consistently referring back to this one particular speech. I have, but for good reason. The underlying theme of the speech was to emphasize the good will of the Minister and his Department to the Indian people of Canada and to emphasize the importance he places on full negotiation at all times so that Indian people and the federal Government may work in concert for a better future. Yet, whenever a problem arises that needs negotiation to be resolved, the Minister is never available. Instead, the Department simply continues to formulate policy which dramatically affects the daily lives of these people. When this policy is abhorrent to Indian people, they have no option but to submit to it or face bankruptcy. I realize that the Minister's time is limited and that he cannot address every issue personally, but there must be a mechanism in place that will allow Indian people, especially Indian governments, to participate in choices and decisions which affect their future.

Let me refer back to the present situation facing the Stoney Tribal Council. Because of decisions made by Indian Mineral West without consultation with the Stoney tribal administration, the band is now responsible for the repayment of approximately $4 million. In effect, what has happened is that funds allocated to existing projects and payments to band members have been cut to finance the repayment to Shell Canada Limited.

Let us be clear. I am not suggesting that there should be no repayment. Rather, I am suggesting that the Stoney tribal administration should have been party to the negotiation process or at least aware that it was taking place. I do not think that is satisfactory, but they should have known. How can the Minister in good faith continue to say that Indian governments should participate in deciding what their priorities should be when he allows, just to name one example, Indian Minerals West to decide unilaterally upon funding cuts to existing projects to finance the repayment of a debt, for which in all probability they are responsible in the first place.

Mr. Henri Tousignant (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I recognize the interest of the Hon. Member for Wetaskiwin (Mr. Schellenberger) in this whole question. But at the same time I cannot accept everything he has just said about the Department, about the Minister and about the Government. I think the Minister and the Department are doing a very fine job. In fact, the Liberal Government has done more for the Indian people of the country than any other Government.

• (2310)

I would like to add to the information which the Minister gave on June 14 in response to two questions by the Hon. Member for Wetaskiwin (Mr. Schellenberger). The first related to the alleged freezing of funds to the Sarcee band. This question related to the involvement or alleged interference by the Department in the affairs of the band and the way it is administered.

I would like to refer the Hon. Member to Circular H-12. He has a copy of it. This circular sets out certain requirements the Minister has to meet in respect to Indian bands' capital funds. These requirements are not onerous and are to some degree flexible to accommodate the different financial systems used by different bands. The requirement that basic information about what money is to be spent for or spent on is fundamental.

In the case of the Sarcee band, it has refused to provide any information about the purpose for which it proposes to use its band capital moneys. All we are asking the Sarcee band to do is to provide us with a simple explanation. It need not be in great detail. When that information has been provided, and I understand that regional officials will be meeting with the Sarcee band to discuss it, then the funds can be released immediately.

The question posed by the Hon. Member for Wetaskiwin concerning the Stoney band referred to the right of the band to make decisions about its own affairs. The particular case involves the exploitation of mineral resources on the Stoney reserve. This area is the responsibility of the Director of Indian Minerals in Calgary. Past practice has always been to consult with the Indian bands about matters affecting their resources, but the final decision must rest with the director.

The current situation does not involve a question of adjusting oil royalties or in any way changing the nature of the existing agreement. Rather it is a matter of paying the processing charges on natural gas produced on the Stoney reserve which have not been paid since 1979. This amounts to a little over $4 million. These charges are against revenues paid to the band of almost $120 million since 1979.

Mr. Deputy Speaker: Order, please. I regret to interrupt the Parliamentary Secretary but the time allotted to him has expired.

NORTHERN AFFAIRS—NORTHERN CANADA POWER COMMISSION—COMMITTEE RECOMMENDATIONS. (B) PRICE OF ELECTRICITY SUPPLIED TO PINE POINT MINES

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I rise tonight to register my complete dissatisfaction with the answer given on May 30 by the Minister of Indian Affairs and Northern Development (Mr. Munro) to my questions concerning the report of the Parliamentary Subcommittee on the Northern Canada Power Commission, commonly referred to as the Penner Report. This report, Sir, was tabled in the House of Commons or made available on April 7, 1982, some 14 months ago. So far there has been no response to this report by the presumably or so-called responsible Minister. In answering my question on May 30 he only referred to part of the report dealing with possible subsidies. He completely ignored some of the other major recommendations contained in this report, recommendations such as the revocation of the NCPC monopoly in northern Canada. If this were to be revoked, as recommended in the report, a municipality or consumer of power would be able to accept bids from other suppliers rather than be trapped by the Northern Canada Power Commission, not being able to go elsewhere.

• (2315)

There are recommendations contained in this report dealing with better planning mechanisms so as to avoid the many mistakes of the past. One of the most important recommendations deals with the transfer of jurisdiction over power from the federal to the territorial Governments. Nowhere else in Canada, with the exception of a very small part of northern British Columbia, does the Government of Canada get involved in this type of activity. It is something that naturally falls within the jurisdiction of the Province. There is no reason why that should not happen also in northern Canada.

I sometimes wonder what the business of the Government is. Is it the business of the great Government of Canada to run little 200-kilowatt generators in remote areas? Surely we must be concerned with matters of national importance.

This report recommends a write-off of the great outstanding debt of the corporation, most of which is due to previous mismanagement, especially on capital projects. If we were in a province where power was supplied by private companies, such as Alberta, then the public utilities board of the Province would not allow these excessive capital costs to be rolled into the rate base. The responsibility for cost-over runs would be borne by the shareholders. This is not the case with NCPC.

The report recommends the authority of the Public Utilities Board in the Yukon and Northwest Territories to set the rates of the corporation, the same as for the few private power corporations operating there which are grandfathered in. Nowhere else in Canada is there a situation where the major supplier of power considers itself exempt and aloof from the regulatory process of a public utilities board.

There are a lot of things besides subsidization that should be addressed by the Minister and the Department. When it does come to subsidization, the concept in this report, the ideal or the goal, is that the average price of power in the Territories should approximate the average price of power in the Provinces. I do not think anybody can really disagree with that.

We have to realize the part played by the availability of electricity at reasonable cost in increasing standards of living in undeveloped areas. This should be recognized by the federal Government just as it is by provincial Governments in their rural electrification schemes. It is certainly recognized by Canada in the case of Africa. In 1982 CIDA gave $328 million of Canadian taxpayers' money for electrification schemes. It did not give one nickel to the undeveloped areas of Canada's North.

On many previous occasions have we asked the Minister what he is going to do about this report. When I asked him on November 2 he said he would reply shortly after Christmas. On and on it goes. All he does is commission further studies. He has had a departmental study on the NCPC and now has asked the National Energy Board to again review the matter. The matter has been studied to death. It is time for action and decisions, not further studies. It would appear that the Minister is just incapable of decision. A Member on his side is so frustrated that he said, as quoted in a CBC report dated May 10, 1983:

> Keith Penner, the Liberal Member of Parliament who chaired the parliamentary study into NCPC says the federal Government shows a lack of will for not adopting his committee's report and that referring it to the National Energy Board is a delaying tactic to buy more time.

That is also my opinion, the opinion of my constituents and the people in the Northwest Territories and Yukon.

• (2320)

Mr. Henri Tousignant (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am particularly pleased to be able to comment on the northern energy policy activities which have occurred since the Penner Report was issued about one year ago.

The subsidies on electric power to residents of the North outside of the Territory capitals were extended to March, 1984. This program, coupled with the 6 and 5 per cent price guidelines which the Minister of Indian Affairs and Northern Development (Mr. Munro) directed the Northern Canada Power Commission to adopt has saved consumers many millions of dollars in both Yukon and the Northwest Territories. The cost is fully absorbed by the federal Government.

It should be noted that rather than reducing capital spending during a period of reduced demand, the Government has in fact dramatically expanded the expenditures for capital works by the Northern Canada Power Commission. In 1981-82, NCPC capital expenditures were less than $10 million. This was increased to over $40 million in 1982-83, and for the current year is expected to be in excess of $20 million. These expenditures are for hydro investment which should enhance stability in electricity costs over the long-term. They are also a major source for construction employment throughout the North. This is a start on a long-term objective to reduce reliance on diesel powered generating plants.

The Penner Report did not address the issue of how to reduce costs over the long term other than by further expensive Government subsidies to consumers. It is the Government's belief that equitable pricing of energy in the North is necessary. However, this should be coupled with programs that encourage energy conservation and with programs that provide alternative sources of energy. Activities of the federal Government are now concentrated on achieving these objectives.

With respect to the equity of electricity pricing, the Minister requested that the NEB examine the methodologies of rate setting by the Northern Canada Power Commission and assess alternative approaches to regulation of electrical rates. The proposal in the subcommittee report that rate ceilings be fixed, regardless of generating costs, would discourage conservation and delay the development of more cost effective alternative energy sources. The Minister's discussions with the territorial Governments have also confirmed that they too are primarily concerned with the development of local alternate energy sources.

The recent decline in energy demand in the North illustrates the vulnerability of any utility which relies on such a small number of customers for its revenue. In times of acute financial decline, NCPC as a federal Crown corporation can still receive some form of assistance from the federal Government. Any change in ownership of NCPC would alter this support and the financial implications of this are still being examined.

Mr. Deputy Speaker: I regret interrupting the Hon. Parliamentary Secretary, but the time allotted to him has expired.

CANADIAN TRANSPORT COMMISSION—RULINGS ON RAILWAY BRANCH LINE ABANDONMENTS IN MANITOBA. (B) REQUEST FOR PROTECTION OF SUBDIVISIONS

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I am very pleased to be able to follow up on a question I raised on Thursday, May 12, with the Minister of Transport (Mr. Pepin). I am especially happy since my fiancé, Lois Reimer, is in the gallery tonight to observe me debate this particular question.

I was not very happy on the day the Minister of Transport responded to my question because he mentioned that he was very happy with the record of the Canadian Transport Commission. He said that 88 per cent of the branch line systems we had in the 1930s were currently in place in western Canada. I tried to point out to the Minister at that time that 100 per cent of the submissions the CN and CP had made in Manitoba were abandoned. I was very displeased by the Minister's use of those kind of statistics because he certainly did not seem to be grappling with the particular problem.

I have a list of the 18 hearings that have been held in Manitoba by the CTC. The CTC had established a western arm with the sole purpose of assuring that a more sensitive and decentralized hearing would be given to the people in western Canada whose rail lines were being abandoned. We have the record of the CTC hearings regarding the Cabot subdivision, the Boissevain subdivision, the Varcoe subdivision, the Ridgeville subdivision, the Neepawa subdivision, Pleasant Point subdivision, Carman subdivision as far as the CN is concerned, and the Carman subdivision as far as the CP is concerned, the Wawanesa subdivision, the Hartney subdivision, the Lenore subdivision, the Neepawa subdivision, the Rossburn subdivision, the Lyleton subdivision, the Oakland subdivision, a portion of the Erwood subdivision, the Winnipegosis subdivision and the Inwood subdivision.

• (2325)

I list all these hearings because I think it is important to see what has been happening in western Canada as far as rail line abandonment is concerned, and so the Government can understand the frustration of people in western Canada in constituencies such as Dauphin-Swan River. When a hearing comes to town it is referred to as a three-ring circus. The hoops are set up and constituents are expected to hop through them. The results of the hearing are given out even before the CTC has had an opportunity to read the submissions that have been filed.

I express concern at this time because I think it is high time the Minister looked into the situation and at some of the lines that have been slated for abandonment to ensure that some positive action is taken.

I want to refer to at least two subdivisions which are slated for abandonment in my riding. The Oakland subdivision is slated for abandonment on August 31, 1984. Four Manitoba pool elevators operate on the portion of the line which is up for abandonment, and one of the elevators on this line was upgraded considerably during the Spring of 1982. The grain producers of the area depend very heavily on this line because otherwise they would be faced with insurmountable long hauls for their grain.

I know that the Parliamentary Secretary was not able to be here tonight. When I raised this issue with him and told him that 18 hearings were held, and that 17 of the decisions on

those lines were made in favour of the CNR, he expressed doubt. Then he did some independent research, and I have a copy of the results which he passed on to me. The special assistant to the Minister of Transport indicated that in Manitoba it is true that in every application heard, the CTC has decided upon abandonment. This is certainly not justice, Mr. Speaker.

I think it is very important that we look at the issues. The PRAC Commission said that if there were a trucking subsidy or some other way that farmers would be able to cope with the expense of hauling their grain, then perhaps there could be some sort of consideration given to rail line abandonment. I have a letter on file from the Minister which indicates there is no way he would even consider any kind of trucking subsidy, yet the Government allows these types of decisions to be made by the CTC.

The Parliamentary Secretary who is in the House to answer my question tonight is pinch hitting for the Government, but I am sure he will pass my concerns on to the Minister. First of all, why is there an inconsistency? There are lines in Saskatchewan, which do not handle anything like the same amount of grain as handled in those areas in Manitoba that are up for abandonment which have been granted an extension. Why is there this type of inconsistency on the part of the Government in terms of decisions that have been allowed?

When hearings are held, the CNR always makes a representation, and the people who support it are given an opportunity to say what it will cost the CNR or the CPR to maintain the line. But there is never any kind of assistance given by the Government to anyone else, such as PRAC, to indicate the economic impact on the community. Why is there no opportunity for people who have served on PRAC, and people within the Department of Transport such as Mr. Henry Roperts, to make adequate presentations indicating what the economic impact would be on those communities?

• (2330)

I would like to hear answers to these questions. I would like to see these injustices which exist where these railways are being abandoned rectified. I hope there is something in the answer of the Parliamentary Secretary which will at least address some of these questions.

Mr. Henri Tousignant (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, let me say first of all that after listening to the Hon. Member, I would be tempted to agree with him. Of course, I too would like to have my own airport. Hon. Members of that Party are the ones who cry when the deficit goes up. How can they reconcile this?

It seems to me the Hon. Member has two concerns. One relates to what he describes as "the tarnished record of the western division of the CTC". The other is in regard to the hearing process conducted by the Canadian Transport Commission into branch line abandonments.

Dealing first with the second concern, the Hon. Member objects to intervenors going to what he calls a "three ring circus". I am not sure what he would suggest as an alternative to these public hearings. The Railway Act provides for public hearings, and the CTC makes every effort to ensure that all interested parties are heard on abandonment cases. The Act requires that the CTC determine the viability of branch lines and that it consider socioeconomic factors in making its determination. The alternative to this process would be to allow the CTC to make arbitrary decisions, which I am sure the Hon. Member does not want.

The Hon. Member's other concern is the record of abandonments in his region, and I recognize and compliment him for having the best interests of his constituents at heart. For the record, Mr. Speaker, since the western division of the CTC was established in July, 1979, there have been eight railway abandonment hearings in Manitoba. Of these eight, there is a decision pending on the Erwood Subdivision for part of the line, and a decision has been made on the Rossburn Subdivision allowing a part of the line to be abandoned on condition that a connecting rail line be constructed to ensure the continuation of adequate service.

I understand that as a result of the Hon. Member's question on May 12 the Parliamentary Secretary to the Minister of Transport (Mr. Flis) arranged a meeting between the Hon. Member and a senior official of the Department of Transport to review the Hon. Member's concerns. I hope this meeting was useful.

I am sure the Hon. Member realizes that, in addition to the process described earlier, decisions of the CTC can be appealed to the Governor in Council. In conclusion, the Government believes that the process for branch line abandonment is extremely fair, and allows all factors to be carefully considered before a decision is taken.

[*Translation*]

Mr. Deputy Speaker: Order, please. 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 11.34 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, June 17, 1983

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

PENITENTIARIES

LACK OF REHABILITATION SERVICES

Mr. Walter McLean (Waterloo): Madam Speaker, on May 15, at the William Head Penitentiary near Victoria, B.C., Professor Douglas Ayers drew attention to an important change in public policy with respect to penitentiaries. He reminded Canadians that traditionally in our social policy one of the purposes of our penitentiaries is rehabilitation. We have never accepted the view that the sole purpose of a penitentiary is to punish, or to deter, or to hold people in custody. Reflecting our moral perspectives, we expect penitentiaries to try very hard to encourage, direct, and lead prisoners to responsible lives. The way we deal with our prisoners reflects the kind of people we are and the kind of society we wish to be.

The annual report of the Solicitor General (Mr. Kaplan) for 1981-82 defines the over-all mandate of the Correctional Service of Canada as being " . . . responsible for administering the sentences of the courts, as well as the decisions of the National Parole Board, affecting the release of offenders sentenced to two years or more". There is nothing in this statement even suggestive of rehabilitation. The June 6 article in *Maclean's* magazine by Val Ross suggests that in recent years the purposes of Canadian penitentiaries have been reformulated in such a way as to exclude that goal. Dr. Ayers pointed out that this is why the Solicitor General was so easily able to threaten to cancel the effective ten-year-old education program of the University of Victoria.

I would urge the Government to be unequivocal and to restore rehabilitation as one of the primary goals of the penitentiary system.

* * *

ROYAL CANADIAN MOUNTED POLICE

CITIZENS' RIGHTS—CONDEMNATION OF MINISTER'S STATEMENT

Mr. John Bosley (Don Valley West): Madam Speaker, every Canadian believes deeply in two principles—that his or her fellow Canadians are decent, honest and law abiding, and that those who would disrupt our system of peace, order and democratic Government should be found and dealt with. That these two principles are sometimes difficult to reconcile is inevitable. But it is also true that, in reconciling them, balance must be steadfastly sought. For this reason, the comments of the Minister of Justice (Mr. MacGuigan) yesterday, to the effect that nobody is exempt from security service scrutiny, are an affront to decent, thoughtful Canadians.

The Minister, who appears to be running for membership in George Orwell's "Animal Farm", has somehow lost sight of the first principle of justice in a free society, that is, that nobody should be the object of a security inquiry by the state without some reasonable evidence in the first place that a security risk may exist to justify the investigation.

Any Minister who accepts the view that all Canadians should be automatically and routinely suspect, that someone who is not guilty would not object to being investigated, that we, as loyal citizens, should bear the onus of proving our innocence, that Canadians should assume they are under scrutiny and behave accordingly—any such Minister has no place in office in this land and most certainly not in the office of Minister of Justice.

* * *

CANADIAN NATIONAL RAILWAYS

CENTRALIZATION OF SERVICES—EFFECT ON EMPLOYMENT

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, I should like to call the attention of the House to the report that Canadian National Railways intends to merge the administration of its trucking and express divisions and to base the new operation in Toronto. That will result in the loss of some 350 jobs across the system. Also, apparently the prairie merchandising and claims centre is to be moved from Winnipeg to Calgary, meaning a loss of jobs in Winnipeg. Within this context I would also like to call attention to the increasing centralization and automation of railway services within the CNR. This all constitutes part of the continuing attack by the CNR on the number of people who work for the railways.

Mr. Pepin: An attack on deficits.

Mr. Blaikie: In this instance 350 jobs are involved, but literally thousands of jobs are being weeded out of the railway system on a year by year basis.

I call on the Minister of Transport to do something about this attack on the over-all numbers of people who work for the CNR, and particularly in the case of this latest merger on the number of unionized employees who will be working for the

CNR. I should also like to call upon him to investigate the way in which safety is often affected by these so-called rationalizations. In this case I am referring to something that Members are already aware of, and that is the Nakina run-through, which will mean less actual visible inspection of track and fewer people on the ground, so to speak. We will be more reliant than ever on computers for rail safety, and this is not a good thing.

Madam Speaker: Order, please.

* * *

DISARMAMENT

CANADIAN CONTRIBUTION TO NEGOTIATIONS

Mr. Stanley Hudecki (Hamilton West): Madam Speaker, it is a concern to me that many Canadians are not aware of the various disarmament initiatives in which Canada participates.

The most notable arms control negotiations currently under way are, first, the Intermediate Nuclear Force talks which are being held between the United States and the Soviet Union in Geneva, and second, the Strategic Arms Reduction talks in which the United States and the Soviet Union are debating the reduction of intercontinental ballistic missiles. Canada, as a member of NATO and NORAD, through our discussions with the United States, has an important say in these arms control negotiations.

Canada is a full participant in the mutual and balanced force reduction negotiations between NATO and the Warsaw Pact, which are looking at the number of troops and weapons that would be acceptable for each side in Europe.

In addition, Canada participates in the 35-nation conference on security and co-operation in Europe, which includes discussions on military matters such as confidence building measures between east and west European nations.

Canada also participates in the United Nations Disarmament Commission which meets year round in Geneva. Of special note for the current year is that Canada is chairman of the committee which is working toward a ban on all chemical and biological weapons.

In addition, Canada is one of the very few countries which has an official ambassador for disarmament.

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CANADIAN ARMED FORCES

CALL FOR EXAMINATION OF SENATE COMMITTEE RECOMMENDATIONS

Mr. Howard Crosby (Halifax West): Madam Speaker, for over a decade military observers have viewed with alarm the deterioration of the Canadian Armed Forces. Personnel has been reduced from a 1960 level of 126,000 to a current level of 80,000. The reserves experienced an even greater reduction.

• (1110)

Much of the equipment used by the Canadian Armed Forces is now aged and obsolete, yet the officers and ranks struggle to meet our NATO and other commitments in defence of Canada and the free world. Promises of improvements and increased spending on national defence have not been kept. Now the Government must act.

The House of Commons has been silenced by the Government majority, but the report of the Senate subcommittee on National Defence has exposed the real facts on Maritime Command and defence policy to public view. We see a naval force crippled by inadequate equipment and stymied by lack of ministerial policy direction.

The subcommittee recommendations are detailed and thoughtful, and deserve careful examination by the Government. In broad terms, we must give force to the demand for a $550 million annual increase in the expenditures to arrest the decline in status and readiness of our Maritime forces. Such an increase would generate job-creation activity in shipbuilding, and more important, would stall the decline in conventional arms and minimize the need to resort to nuclear weapons in our national defence.

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EXTERNAL AFFAIRS

UNITED STATES INVOLVEMENT IN CENTRAL AMERICA

Mr. Rod Murphy (Churchill): Madam Speaker, in a speech to the United Nations Association in Ottawa the Secretary of State for External Affairs (Mr. MacEachen) stressed Canada's opposition to armed attacks on legitimate Governments in Central America but remained silent on U.S. financed and directed attacks on Nicaragua. The Canadian Government has not demanded evidence of the existence of arms shipments from Nicaragua to Honduras which the U.S. says justifies its support for counter revolutionary activities in Honduras and Nicaragua. The Canadian Government has not condemned the U.S. program of "destabilization" of Nicaragua, a program which has brought about the death of over 700 Nicaraguans in the last six months. The Canadian Government has not challenged the U.S. campaign of disinformation about conditions in Nicaragua, and in particular the American distortion of the situtaion of the Miskito Indians.

Instead of silently backing U.S. policy in Central America, Canada should be moving forward to help Nicaraguans build a democratic, pluralistic and prosperous society as they approach the fourth anniversary of their revolution this July 19.

WESTERN GRAIN TRANSPORTATION ACT

CALL FOR MEETING OF WESTERN MEMBERS OF PARLIAMENT TO SUGGEST IMPROVEMENTS

Mr. Gordon Taylor (Bow River): Madam Speaker, surely by this time the Government must realize that western Canada does not want Bill C-155 in its present form. My idea of a democratic Government is that it endeavours to reflect the thinking of the people in its legislation and in its administration. If the Government would do that instead of telling the people what is good for them, as Bill C-155 does, it would call a meeting of the western Members of Parliament who represent the people of the West, and who are accountable to the people who elect them, and ascertain what has to be done to remove the major objections to the Bill.

For instance, why would the Government of Canada want to destroy the cattle and hog industry of western Canada? What changes to the Bill would have to be made to permit these industries to expand and reach their potential? Industrial development and manufacturing are required in the West. We have many raw materials and the expertise; why can we not invest and build up this industry? Surely in a country as large and as diverse as Canada there is room for development in both the West and the East. Let us start talking reasonably to each other with a view to permitting and encouraging the people of all parts of this great country to grow and play their part in building a greater Canada.

Forcing Bill C-155 on western Canada may appease the appetites for power but will, in the long run, be another nail in the coffin of Confederation. I love Canada and I do not want to see it broken up. Why can we not build this nation together, with all the regions of Canada playing their part?

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CROWN CORPORATIONS

CANAGREX—OPPOSITION TO ESTABLISHMENT OF CORPORATION

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, the increasing involvement of the Liberal Government in the economy through public enterprise has been questioned by many concerned Canadians as they have watched through the last decade the increased deployment of Crown corporations and the tremendous waste of public funds which followed. Yet the Liberal Government attempts to get away with another unwarranted intervention, this time in agriculture. The new state agency, Canagrex, will emerge as the Petro-Canada of the agriculture industry, with its share of debts, mismanagement, and lost opportunity for private enterprise. Again, the Government has created a public leech which is stealing business from the private sector.

The strong opposition to Canagrex voiced by numerous organizations across the country indicates our society's current mistrust of state management. Canadians are not willing to accept direct Government intervention in agriculture. The example of other bankrupt Crown corporations taught them a hard lesson. They treasure their economic and personal freedoms too much to let them perish.

• (1115)

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

CANADAIR—REQUEST THAT TASK FORCE REPORT BE RELEASED

Mr. Scott Fennell (Ontario): Madam Speaker, my question is for the President of the Treasury Board. He is aware that the Auditor General announced yesterday in committee hearings that there was a special task force report produced in early 1982 resulting from the 1981 financial statement of Canadair. Upon investigation into the Department of Industry, Trade and Commerce he uncovered a need to see this report. The Minister's predecessor agreed to allow him to see the report so that he could complete his statement in his report. Therefore, I ask the Minister to release this report which has caused this country great concern, and which will result in a write-down in excess of $2 billion on Canadair's operations.

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, the report was referred to by the Auditor General in his 1982 report to Parliament. The report in question, was prepared for Ministers and therefore falls within the rules applying to Cabinet documents. In spite of that, my predecessor, in an effort to be helpful, did make it available to the Auditor General on a personal basis and, as far as I know, he is satisfied with the basis on which he received it.

REQUEST THAT AUDITOR GENERAL INVESTIGATE REPORT

Mr. Scott Fennell (Ontario): Madam Speaker, the Auditor General is responsible to Members of Parliament. He was told this report was for his eyes only. In a previous incident, referred to as "Coalgate", the Minister of Energy provided documents which assisted us in finding out what happened. In view of the depth of the debt of Canadair, I insist that this Minister at least permit the Auditor General's Department to do thorough research into this report because the Auditor General said in his statement that the company over-emphasized the sales potential. Will the Minister agree to that?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, with respect to the premise of the my hon. friend's question, I do not think the material he referred to involved Cabinet documents. I again repeat that the report in question is a Cabinet document and the principles applying to Cabinet documents are the same now as under previous administrations.

In spite of the status of that document, in an effort to be of assistance to the Auditor General my predecessor made it available to him on a personal basis. Obviously the Auditor

General made use of the material in that report in preparing his comments in his 1982 report to Parliament.

REQUEST THAT COMMITTEE BE PERMITTED TO EXAMINE REPORT

Mr. Scott Fennell (Ontario): Madam Speaker, the Auditor General has expressed to us his frustration that this report was for his eyes only. I acknowledge that we want to get into new technology, but we are in a very serious situation where it is costing every citizen in this country $95 to support Canadair. I insist, in view of the fact the Minister has given the Auditor General this report for his eyes only, that he broaden the terms and allow this report to come before committee so that we can report back to the citizens of this country about what actually went on in Canadair.

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, as far as I am aware, the Auditor General, rather than expressing frustration about the basis on which he received the report, expressed satisfaction that, in spite of its status as a Cabinet document, he was allowed to see it and review it, so I must say that I do not agree with the interpretation of my hon. friend.

Aside from that, the Minister responsible for the Canada Development Investment Corporation, as far as I am aware, has presented a very complete report to both the Public Accounts Committee and the Finance Committee, and has made himself and his officials available to provide just the kind of information my hon. friend is seeking, so that the ground he is interested in is in fact being covered.

CERTIFICATION OF 1981 FINANCIAL STATEMENTS

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, my question is also for the President of the Treasury Board. We all know that the underlying basis of confidence in our financial and corporate system lies in the auditors and their signing of the financial statements of corporations. On January 22, Thorne-Riddell signed the 1981 financial statements of Canadair. No mention was made of any financial problems. Yet a mere three weeks later Canadair asked for a letter of comfort in the sum of $1.3 billion. My question is this: Did the Government, or the Board of Directors of Canadair instruct, ask, or imply that Thorne-Riddell should omit any reference to the disastrous financial position of Canadair?

• (1120)

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, in line with the principles involved in the role of Cabinet Ministers, I think that that question should be referred to the Minister currently responsible for the Canada Development Investment Corporation and Canadair. However, I must say that I am surprised at the inference, the innuendo in my hon. friend's question, when he is referring to a major, respected, national accounting firm.

Mr. Thacker: If the Government would put its Cabinet Ministers in this House where we could question them, I would be asking the responsible Minister that question, but it stows him away in the Senate, where you cannot get at him. That answer is not good enough. That answer smells of a cover up.

INQUIRY RESPECTING POSSIBLE REPRESENTATIONS MADE TO AUDITING FIRM

Mr. Blaine A. Thacker (Lethbridge-Foothills): I am repeating my question to the President of the Treasury Board. Did any Cabinet Minister or did any Board of Directors of Canadair instruct, ask, or imply that Thorne-Riddell should omit any comments about the disastrous financial position of Canadair in 1981?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, there is a Minister in the House answering for the Canada Development Investment Corporation, the Minister of National Revenue, and the Minister—

Mr. Nielsen: He's not here.

Mr. Gray: —who sits in the Senate has appeared both before the Public Accounts Committee and the Finance Committee and, on behalf of the Government, has attempted to be very open and very helpful to Members of Parliament in this very important matter. Again, I want to say that I am surprised at the innuendo in the question, referring, as it does, to a major, national, and reputable accounting firm. I think that that innuendo should be rejected.

Mr. Lalonde: Say it outside the House.

* * *

SPECIAL RECOVERY CAPITAL PROJECTS PROGRAM

HIRING OF CONSULTANTS

Hon. Edward Broadbent (Oshawa): Madam Speaker, I would like to ask a question of the minister of Finance which concerns the 1.5 milion unemployed men and women who would still like to have jobs. It is now two months since the Minister announced in his budget—and I think he was using the language without intended irony—his special recovery, fast track, accelerated Capital Works Program intended, one thought, to create many jobs. Thus far, from the $550 million which was intended to be spent this year, the only jobs about which we know are those which have gone to five consultants who have been paid $1.5 million. Could the Minister tell us how many jobs have been created by this so-called fast track policy, and where are they?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I would like to remind the Leader of the NDP that since last November we have created 300,000 more jobs in this country. On a seasonally adjusted basis, the equivalent of 200,000 new jobs have been created in Canada since last November. These are the facts.

As far as the recovery program is concerned, no five consultants have been paid $1.5 million. The consultants required for the program have been hired by the special secretariat and will be called upon to help fast track the program, and will be paid the professional fees which are normally paid in those circumstances. They are retained on a need basis in order to avoid expanding the Public Service.

Most of the projects have already been announced, and they will be taking place across the country. The secretariat is in the process of designating the professionals to undertake those particular activities. We expect that a number of them will be starting this summer and proceeding as planned during the course of this year and early next year.

As for the total number of jobs that will be created, I indicated before in answer to similar questions that I would not speculate on the specific number of jobs. We will spend, as the Hon. Member knows, over $600 million this year alone, as part of the $2.4 billion program. The number of jobs created directly and indirectly by such a program will be in the tens of thousands. Exactly how many, I cannot help the Hon. Member.

• (1125)

STRATEGY OF PROGRAM

Hon. Edward Broadbent (Oshawa): Madam Speaker, with all due respect, the Minister has added even further confusion to the confused statements uttered by the Minister of State for Economic Development as quoted in yesterday's press.

I would ask the Minister of Finance to listen to what the Minister said yesterday and then respond to my question. Perhaps he will see the logic, because I cannot. On the one hand the Minister of State for Economic Development said that he could not give an estimate on jobs. On the other hand he said, "The program was not designed as a job creation program." That is rather bizarre. Finally he said, "It will eventually create tens of thousands of jobs." Perhaps that is good Liberal planning. If they sit down and devise a program that is not intended to create jobs, may be that is the only way we will get jobs from those guys.

Will the Minister tell us the definitive, coherent strategy that the Government has developed vis-à-vis this program? Is it intended to create jobs and, if so, when will we get them, and in what sectors of the economy?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I have difficulty believing that the Hon. Member is serious in his question and his reasoning. It is rather flabbergasting. I do not know where he was during the last two weeks when he was not in the House but, frankly, he did not come back in a very helpful mood.

The program is a $2.4 billion program that has been presented as an acceleration of planned investment by the Government of Canada for enhancement of the infrastructure that will be required in this country to make the economy more competitive, efficient, and thereby capable of creating more jobs in the private sector. It will put us in a position to support a growing economy.

Obviously, if we spend over $2 billion on developing the infrastructure of the country it will create tens of thousands of jobs. There is no doubt about that.

The Minister responsible has indicated that the first objective of the program is to provide a better infrastructure in this country by accelerating expenditures planned by the federal Government. At the same time tens of thousands of jobs will be created.

I would remind the Hon. Member of one example. Yesterday we received tenders on the construction of icebreakers that have been planned for years. These tenders are before Treasury Board. They will be examined and, as soon as they are processed, those tenders will be decided upon. This will create jobs in the shipyards of our country.

There are more projects of this nature taking place everywhere. In the meantime I would invite my hon. friend's Party at least to let the Crow legislation go to committee.

Madam Speaker: Order.

CONSULTANTS' REMUNERATION

Hon. Edward Broadbent (Oshawa): Madam Speaker, I remind the Minister that it was not anyone on this side but he who described it in his budget puffery as a special recovery program, an accelerated spending program, and a fast track program. I say to him that ordinary people interpret that to mean jobs now and not two or three years down the road. He comes back to the House today and still talks about Treasury Board meeting to consider submissions. That is like waiting for Godot. It may be another five years before we get action.

Let me ask the Minister about the people who have jobs—the five consultants. Will he at least tell us what the Government plans to pay these five consultants? They are receiving $1.5 million. Do we divide that by five? That is quite substantial. Will he tell us what their daily rates are, because surely the people of this country have a right to know?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, again I find it amazing to hear the Leader of the New Democratic Party advocating that we do away with the public tender process on large expenditures. We have received tenders for the construction of ships. Thanks to the fast tracks process, within two months of the budget announcement we have been able to have tenders submitted on specific shipbuilding projects. These are being examined at the present time. The announcement should come very shortly.

With respect to the Coast Guard we have planned $790 million of expenditures on shipbuilding in the next period. This will mean that jobs will be created for Canadian workers in all parts of the country. The consultants are engineers who will help us speed up the process and make sure that the jobs will be created as fast as possible. As far as the specific expenditures are concerned, they will be on a professional basis and

they will be available to the Hon. Member and the House on a normal basis like all expenditures that are made. My hon. friend should take the time to examine the facts.

* * *

• (1130)

NATIONAL DEFENCE

REQUEST THAT MINISTER GROUND CF-104 STARFIGHTER AIRCRAFT

Hon. Allan B. McKinnon (Victoria): Madam Speaker, on May 24 I asked the Minister of National Defence whether he would consider grounding the Starfighters because of their unacceptably high attrition rate. He replied:

> Madam Speaker, if there were any unreasonable risk in letting our pilots fly any of our planes I would stop them from flying right away.

According to press reports the Minister has stated that he will not ground the fighter but will temporarily curtail certain operational exercises. In view of yesterday's accident, will the Minister not now completely ground the Starfighters until the causes of the crashes are known and, possibly, rectified?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, as I mentioned yesterday, after the news of the crash in Germany reached me I had a conversation with the Chief of Defence Staff and the Director of Air Command. I asked them for their opinions. They advised me there was no serious reason just because of the accident to ground the aircraft. They indicated that most of the maintenance and safety precautions with respect to the aircraft are at the highest level they have ever been. They also advised me that only 15 per cent of the accidents that have occurred in the last 15 years of flying these planes were due to mechanical defects. The remainder were not as a result of mechanical defects.

Also, as a precaution, the Chief of Defence Staff yesterday issued an order at my suggestion that some of the air to ground exercises will be suspended until we have the reasons for the last two crashes. According to the Chief of Defence Staff at Air Command there was no serious reason why we should ground the aircraft.

Yesterday was a very bad day. Two Jaguar aircraft from the British Air Force crashed in Goose Bay. That was not a reason, again, to ground these aircraft just because these accidents happened. These Jaguar planes were also old. They are to be replaced by the Tornado, probably next year.

Just because there are crashes and even though we know the reasons for these crashes, we do not think that these reasons call for us to ground them.

PILOT ERROR FACTOR

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my supplementary question is also for the Minister of National Defence. I would like to point out to him that the CF-101s are not crashing, and the CF-105s are not crashing. It is only the CF-104 that seems to be crashing fairly frequently, much too frequently.

The Jaguar crash provided good grounds for believing there was pilot error. Yesterday in an interview the Minister said that the pilots were to blame for the crashes and not the planes.

Frankly, I think that Captain Bayles' reaction yesterday may have been the smartest move he will ever make, when he bailed out of the CF-104. Can the Minister tell us any fact or give us any evidence that he has for thinking that yesterday's crash, or indeed that the last three crashes could have been caused by pilot error?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I did not say anything about the last three crashes being due to pilot errors. I think that the media took my remarks from my interview out of context. What I did do was to quote the figures I have for the different causes for accidents. These reasons could be personnel, materiel, environment, operational, unknown. Statistics say that 60 per cent are caused by human error; 15 per cent are material; 14 per cent are environment; and 13 per cent for other reasons. I do not think I said it was strictly a human error. It could be human error. The statistics are there.

Maybe I should mention, Madam Speaker, that following these accidents, I, of course, sent my condolences to the Minister of Defence for Germany, and I received his reply today. I want to quote his concluding sentence. It reads as follows:

> We will continue trying to prevent such accidents, and it is our belief that the Canadian pilots contribute their part to flight-safety over Germany and are esteemed as especially competent and capable flyers.

I think that is a good commendation from the German Minister of Defence.

SENATE COMMITTEE FINDINGS ON MARITIME DEFENCE—LEVEL OF GOVERNMENT EXPENDITURE

Mr. Howard Crosby (Halifax West): Madam Speaker, my question is also for the Minister of National Defence. It deals with policies affecting our naval force in Maritime Command. The Minister has continually assured the House that Canada is fulfilling its NATO commitments and maintaining an adequate level of personnel and equipment. Now the Senate subcommittee on National Defence has destroyed that assurance concerning maritime defence.

Since the Minister has already refused the recommendation to increase expenditures on maritime defence by $550 million per year, as recommended by the Senate subcommittee, what increase in expenditure will he provide the Maritime Command? What does the Minister intend to do in response to the scathing criticism of his administration contained in the subcommittee report on matters like the patrol frigate program, additional Aurora aircraft, diesel submarines, patrol boats, and all the other specifics which the subcommittee says are now required?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I have not finished reading the report. But, as I said yesterday, this report was made by professional people and people with great knowledge of maritime matters. However, I never said either that I would refuse $550 million a year for Maritime Command. I said that I doubted very much whether the Minister of Finance would allow me to add $550 million every year to my budget just for Maritime Command.

I would like to stress to the hon. gentleman that, for the last three years I have been Minister of National Defence, we have had a substantital increase in the budget of National Defence amounting to 15 per cent to 17 per cent every year, which brings us over the 3 per cent real growth target of our NATO commitment. I think that in this way we have done exactly what we wanted to do.

As far as the Maritime Command is concerned, Hon. Members know very well that the construction of six new frigates is currently under cabinet discussion now. I hope this decision will indeed be taken in the very near future. I would say, as Minister of National Defence, that I do hope this is a good start.

WEARING OF NAVAL UNIFORMS

Mr. Howard Crosby (Halifax West): Madam Speaker, my supplementary question is also for the Minister of National Defence. I want to remind him that this criticism does not come from outside sources or from Maritime Command, it comes from his own colleagues in the other place. If the Minister is not going to do anything substantial right now for Maritime Command, would he at least review recommendation 19 of the Senate subcommittee report, which reads that:

—personnel be issued and permitted to wear recognizeable trade badges and distinctive rank identification.

I will add to that my own request that our Maritime Command be allowed to return to wearing navy blue.

Some Hon. Members: Hear, hear!

Mr. Crosby: Will the Minister allow that right now as a token of his esteem for Maritime Command?

Mr. MacEachen: Tory blue.

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think that as long as we will be in this House there will probably be a discussion about this question of uniforms in the Armed Forces. Since 1970 there has been unification of all the Forces, Army, Navy, and the Air Force. They all have the same coloured uniform. I am an ex-Air Force man. I can assure the Hon. Member that my heart is for my blue Air Force uniform.

Some Hon. Members: Hear, hear!

Mr. Lamontagne: But, on the other hand, we have to abide by the unification decision which was taken and I am sure the hon. gentleman understands that reasoning. But I do not say in their hearts that even members of the Maritime Command do not think it would certainly be something very nice to have their dark blue suits.

Some Hon. Members: Hear, hear!

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PARLIAMENT HILL

FORTHCOMING ROYAL VISIT—REQUEST FOR REMOVAL OF PEACE CAMP

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, I have a question for the Deputy Prime Minister in the understandable absence of the Prime Minister who, I presume, is discharging his responsibilities in connection with the visit of their Royal Highnesses. It has to do with the visit of their Royal Highnesses to Parliament Hill next Monday. Will the Deputy Prime Minister take steps to remove the eyesore that is next to the Centennial Flame on the direct access route to the Centre Block in order that Canadians might perceive their Royal Highnesses on television via pictures taken from the platforms erected directly opposite that eyesore?

Their Royal Highnesses are being received with warmth, grace, and dignity. The idea of peaceful demonstrations is one thing which is acceptable in this country, but permanent squatting, particularly on this Royal occasion, is something that I suggest to the Deputy Prime Minister cannot be tolerated.

• (1140)

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Prime Minister is absent today, meeting the Prime Minister of Australia, though he did host a very splendid dinner for the Royal visitors in Halifax on Wednesday night. As my hon. friend has pointed out, the Prince and Princess of Wales have been received very enthusiastically and warmly in Nova Scotia, and today in New Brunswick. Undoubtedly they will be received in a very spontaneous and warm way when they visit Parliament Hill.

I believe, Madam Speaker, that the responsibility for locations on Parliament Hill is not the responsibility of the Government. If it is a question of taking steps to handle events in the precincts of Parliament, it is not in this case the responsibility of the Government, though I do generally support the sentiments of the Hon. Member.

Madam Speaker: I would just like to interject that it is not the responsibility of the Speaker, if the Hon. Deputy Prime Minister is alluding to that. Anything outside the Parliament Buildings is the responsibility of one or two Government Departments.

Mr. Nielsen: I commend the Chair for that intervention. May I suggest to the Deputy Prime Minister that we cannot

escape the acceptance of responsibility for cleaning up Parliament Hill in anticipation of the Royal visit. The City of Halifax cleaned up the whole city to receive the Royal couple. Surely we can take some lessons from that example.

REQUEST FOR ASSURANCE OF REMOVAL

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, would the Deputy Prime Minister take it upon himself to assure us that the Prime Minister, by virtue of the fact that he is the official host of Canada to the Royal couple, sees to it that that eyesore is removed so as not to mar a visit by the Royal couple, of which I am sure all Canadians want to be proud? We certainly cannot be proud of a situation where that kind of eyesore is allowed to interfere, and will interfere, with that visit to Parliament Hill next Monday. It is surprising if he cannot give us that assurance in a major program. Today we are told that the Direct Action Group is now involved with that display on Parliament Hill. This is the group that blew up Litton Industries. Can the Government not take the responsibility, on the basis of shear security, to get rid of a security risk, if not the eyesore?

Hon. Serge Joyal (Secretary of State): Madam Speaker, I thank the Hon. Leader of the Opposition for his question because I think it is a matter of interest shared on both sides of the House. There is no doubt that, on the matter of security, representatives of the Secretary of State have been in touch with the Peace Camp people. We have explained to them that, for the matter of security, it would be advisable to have them move their equipment, at least during the Royal visit. They have agreed to remove their equipment. Their equipment will be moved this weekend, so that the ceremony could take place around the Centennial Flame. They will have the same right as any Canadian to attend the Royal visit, to participate and to express their opinion, as they have and as they are entitled to according to our Charter of Rights and Freedoms, but in a context which will not jeopardize the security and the proper setting of the ceremony.

Mr. Nielsen: Madam Speaker, I cannot believe my ears, if I heard correctly. The Government has negotiated with these squatters to see whether they might be disposed to remove this rubbish on the main entrance way for one day. Peaceful demonstration is one thing; permanent squatting is another.

GOVERNMENT POLICY

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, is the Minister telling us that the Government will allow untold numbers of groups, if they wish, to camp on the parliamentary lawns and on all access ways to these buildings, and that this is an open invitation to clutter up the whole of the parliamentary precincts to any group which wishes to come and set up a tent?

Hon. Serge Joyal (Secretary of State): Madam Speaker, I think the Hon. Leader of the Opposition has to make up his mind. He is making speeches all over Canada saying that this Government is jeopardizing freedom. We try to respect the freedom of expression of all Canadians, especially when they are on public grounds. They have a right to come here and express their opinions, even though their opinions might be questioned by some other people.

Some Hon. Members: Hear, hear!

Mr. Joyal: We have voted on both sides of the House for an article in our Charter of Rights and Freedoms that established the kind of freedom of expression to which each Canadian is entitled. At the same time we have the responsibility of maintaining security of the state. That is exactly the kind of balance we want to achieve in that regard.

PERMANENT CAMP PROTESTS—GOVERNMENT POSITION

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, I have a final supplementary question. No one is arguing with the right of citizens to demonstrate peacefully. But I suggest that the Government is clearly ducking its responsibility if it suggests to us that there is a right to permanent squatting by tenting all over the parliamentary precincts. We are not arguing with the right to peaceful demonstration; we are arguing that permanent camping on these grounds is intolerable. Will the Government allow that sort of thing? Is this an open invitation to any group that wishes to set up a tent anywhere it pleases on the parliamentary precincts?

Hon. Serge Joyal (Secretary of State): Madam Speaker, not at all. It is quite visible that the Hon. Leader of the Opposition does not know the rules. There are Acts of Parliament which have been voted, and regulations that provide the setting of orders and instructions which any citizen who wants to come on Parliament Hill has to respect. We have expressed those rules to the Peace Camp people. They have abided by those rules. At this point in time they know the rules and they know that if they break the rules they can be moved away according to that set of regulations.

Mr. Nielsen: They can legally squat; that is what you are telling us. Ridiculous.

Mr. Joyal: No government has the discretion to push away Canadian citizens without informing them of their right to come on the Hill to express their opinions.

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AUTOMOTIVE INDUSTRY

CANADIAN CONTENT IN JAPANESE MANUFACTURED AUTOMOBILES

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is directed to the high-flying Minister of State for International Trade. It concerns the implementation of the report of the auto task force and the fact that the voluntary agreement with the Japanese on the import of Japanese

automobiles expires on July 1. Could the Minister give us a commitment that in his talks with the Japanese about the importation of Japanese cars he will try to negotiate the recommendations of this task force so that there will be Canadian content in the Japanese cars which Canadians will want to buy?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, I thank the Hon. Member for his very pertinent and timely question. I want to say to him that the negotiations with the Japanese in relation to a further period of restraint are continuing and that I would be hopeful of having in place, by July 1, an arrangement which would cover a restraint level until the end of the fiscal year, next March 31. If that is not the case, then I would propose other action to Cabinet prior to July 1, 1983.

In relation to the recommendations of the task force, I think the manner in which that must be approached is that we get into place an agreed level of restraint from now until March 31, and that we take advantage of that time period for the distinguished Minister of Industry, Trade and Commerce, in co-operation of course with the Department of Trade, to see to it that negotiations with the Japanese on the question of content go forth pursuant to examination by Cabinet of the recommendations of the task force.

• (1150)

CANADIAN CONTENT IN JAPANESE MANUFACTURED TRUCKS

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my supplementary question also concerns the task force. The principal recommendations of the task force are really very similar to the 1965 Auto Pact with the United States that called for Canadian content for the production of American cars in this country. It is really a fair play document that is expanding the same rules to other companies in other countries.

I would like to ask the Minister, in light of the fact that the importation of Japanese trucks has gone up by 54 per cent over last year in the first quarter of this year, is he including the importation of Japanese trucks as part of his talks with the Japanese. Would he like to see the same rules of Canadian content apply to trucks as the report of the task force says should apply to both trucks and cars? Would he also negotiate for Canadian content in trucks as well?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, trucks are, of course, part of the automotive trade between our countries and provide jobs in the same way as do cars. While the Japanese have historically been reluctant to include trucks in any arrangement for restraint, that is a subject of discussions that are taking place.

I want to point out to the low-flying Hon. Member that there are two factors which I consider to be very hopeful at the present time. The first is that the market for cars is improving substantially this year as recovery from the recession takes place. The other is that there seems to be a growing indication that North American automobiles are becoming more competitive in the eyes of the public. I see a pattern of recovery coming about in the choice of North American cars over imported cars.

We are watching the situation in relation to trucks very closely and we are concerned about the number of trucks that have been sold. That is a matter for examination along with the matter of automobiles.

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CROWN CORPORATIONS

CANADAIR—GOVERNMENT'S REACTION TO MANAGEMENT

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the President of the Treasury Board and is supplementary to that of my colleague. No one in the Progressive Conservative Party questions the integrity of Thorne Riddell whatsoever, Madam Speaker. What we do question is the matter of Joel Bell wandering around acting like a pseudo Lee Iacocca of Crown corporations.

A representative of Thorne Riddell, appearing before the committee which was examining Canadair, made it quite clear that notes to the financial statement are notes of the management. My question to the President of the Treasury Board is this: what was the reaction of the Government when it found out that it had been misled by management?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, my hon. friend says that he is not questioning the integrity of Thorne Riddell, but I respectfully suggest that the innuendo was very much present in the questions of his hon. friend. As far as I am aware from reports I have had of the Public Accounts Committee meeting, there was no suggestion made by Thorne Riddell that the type of activity suggested by his colleague has taken place.

With respect to my hon. friend's question, the details of action taken by Government were set out in great detail before both the Public Accounts and Finance Committees, in the statement tabled by the Minister of State for Social Development and in the subsequent exchanges with the Committees. I believe that I should refer more detailed questions on this subject to the Minister delegated to respond on behalf of the Canada Development Investment Corporation in this House.

Mr. Lewis: Madam Speaker, the puppet who responds in this House for the man in the other place is not here today.

NON-DISCLOSURE OF CORPORATION'S LOSSES

Mr. Doug Lewis (Simcoe North): Madam Speaker, Canadair adopted the program accounting treatment which, according to the representative of Thorne Riddell, is only used by one other company in Canada. Is it not true that a program accounting treatment was encouraged by the Liberal Government because it enabled Canadair to hide the losses which it hid from the Government and the taxpayers of Canada for so long?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, with respect to the comment made about the absence of the Minister of National Revenue, he has been here very frequently and in fact has been present every day except today. He has been delighted to answer the questions of Members of the Official Opposition quite freely and openly. Even though the matter falls within the area for which he answers to the House, I think that I can say that it is my understanding that the program accounting method is one which is fully accepted as an accounting standard in the country. It is one which was obviously accepted and used by the accounting firm of Thorne Riddell, and my hon. friend has just testified to that firm's integrity.

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PARLIAMENT HILL

REMOVAL OF PEACE CAMP SQUATTERS

Hon. Ron Huntington (Capilano): Madam Speaker, my question is directed to the Deputy Prime Minister and is supplementary to the questions that were asked by the Leader of the Official Opposition. If police officers and officers of Canada Parks can forcibly evict squatters from Long Beach, on the west coast of Vancouver Island, who were enjoying a peaceful tenancy of that area which was taken over by the Government of Canada, then why does the Deputy Prime Minister not see fit to remove, for a temporary period of time, the eyesore of squatters in front of the Peace Tower in Ottawa?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member's question is a bit rhetorical. I think that he would be the first to admit that there is a difference between Parliament and its precincts on Parliament Hill and any other piece of ground in the country. I think that it has to be recognized that Parliament Hill has, over the years, become a place where people come to express their views. To that extent, it is quite different.

I believe that the answer provided by the Secretary of State was complete and comprehensive and dealt with the concerns of the Leader of the Opposition. We will endeavour to make the visit of the Royal couple successful so that the Canadian people can express their warmth to them when they arrive. I am certain that the matter raised by the Hon. Member will be dealt with satisfactorily.

Mr. Huntington: Madam Speaker, I would like to remind the Deputy Prime Minister that there has been much rhetoric about equity, and a just society, and equality for all.

POSSIBLE CREATION OF PRECEDENT

Hon. Ron Huntington (Capilano): Madam Speaker, I would ask the Deputy Prime Minister if he is not fearful that he is setting a very dangerous precedent for all dissenters, no matter how small the minority, by allowing squatting beside the Eternal Flame on this important day in Canada's history. Is he not allowing a very dangerous potential for further disorder on Parliament Hill?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): No, Madam Speaker, I do not think that a dangerous precedent would be set. I think that if we were to take very drastic action that would deny individuals the possibility of expressing their views, it might set an even more dangerous precedent.

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AGRICULTURE

INSPECTION OF MEAT PRODUCTS

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, my question is directed to the Minister of Agriculture whose Department is embarking upon a bold new experiment with meat inspection services which will increase the reliance on the plant classification system over the use of on-site inspectors to ensure the quality and safety of processed products for Canadians.

Since we already know that the Department of National Defence will not take a product from plants in Canada unless it has received continuous inspection, how can the Minister be certain that some less scrupulous operators will not take advantage of the new opportunities to pass stamped products through the system to ordinary consumers since the plant will essentially be in control of the quality standards for the product? What safeguards to consumers are there when the inspectors may be miles away from the plant while the product is being stamped as inspected and approved?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the other day, the Hon. Member and one of his colleagues tried to indicate that we were lowering standards for the inspection of meat products and meat processing in Canada. Nothing could be further from the truth. We do not intend to lower them one bit. As far as we are concerned we have one of the best inspection services, if not the best inspection service, in the whole world.

For instance, Madam Speaker, there are 541 plants in Canada that meet the American import standards. Those plants are the same plants that provide a product for people within Canada. In the United States, however, there are only 141 plants in the whole nation that will meet the specifications required to export meat to Canada. In essence what we say is that meat that is good enough for anybody else and that is exported to any part of the world, is of the same standard as that which is made available for Canadians. The Hon. Member brought up a question about the Department of National Defence. I am not aware of any ruling that the Department has, and I would have to check on that further.

• (1200)

Mr. Althouse: Madam Speaker, I will discuss the Defence Department matter with the Minister later.

MAINTENANCE OF HIGH STANDARDS

Mr. Vic Althouse (Humboldt-Lake Centre): Since there seem to be some communication problems between the veterinarians, meat inspectors, health officials and, to some extent, even Meat Council members, concerning these changes—the financing, the allocation of staff and so on—would the Minister consider referring the whole question of meat inspection to the Standing Committee on Agriculture or to another Committee of the House so that we can ensure that the inspection standards and the excellent rating that Canada has in this area are maintained?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, what the Hon. Member suggests is not unrealistic. I will consider it and make recommendations.

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OFFICIAL REPORT

DISCREPANCIES WITH VOTES AND PROCEEDINGS IN RECORDING OF DIVISIONS

Madam Speaker: Before we proceed to Routine Proceedings, I should like to give some information to the Hon. Member for Hamilton Mountain (Mr. Deans) who asked questions about the records in *Votes and Proceedings* and in *Hansard* on a vote which took place in the House.

As I told him on the day that he raised the point of order, the record in *Votes and Proceedings* was correct—but that in *Hansard* was not. *Hansard* will be reprinted to reflect what took place in the House.

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ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR SASKATCHEWAN

Mr. Doug Lewis (Simcoe North): Madam Speaker, yesterday the Chair advised the House that a late objection had been filed to the report of the Saskatchewan Electoral Boundaries Commission. I wish to advise that I have reviewed the matter with my colleagues who are amazed at the lack of understanding exhibited in the objection. Whoever drafted it has obviously spent too much time in Ottawa and not enough time in Saskatchewan. We are therefore unable to agree to the objection being submitted.

Order Paper Questions

PARLIAMENT HILL

REQUEST FOR REMOVAL OF PEACE CAMP

Mr. Doug Neil (Moose Jaw): Madam Speaker, I listened with some interest to the response made by the Secretary of State (Mr. Joyal) regarding squatters on Parliament Hill. He indicated there were some rules and regulations. I wonder if the Minister would be prepared to table those rules and regulations in the House.

Madam Speaker: Order. That is not a point of order. The Hon. Member might want to make inquiries from the Minister in another Question Period and find out about these matters.

Mr. Neil: It is very important.

Madam Speaker: Of course it is.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. DEANS—REQUEST FOR EXTENSION OF UNEMPLOYMENT INSURANCE BENEFITS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have the honour to present a petition on behalf of a number of residents of Ontario in which they say that millions of Canadians are now unemployed and that of those Canadians, thousands are exhausting Unemployment Insurance benefits every month. They say that these exhaustees are now obliged to rely on provincial and municipal social assistance programs for support and that the cost of this unemployment to social service programs is astronomical. Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to extend Unemployment Insurance coverage to all those entitled to benefit for the duration of their unemployment; and as in duty bound your petitioners will ever pray.

* * *

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. 4,789, 4,802, 4,836 and 4,879.

[*Text*]

PERSONS RECEIVING OLD AGE SECURITY BENEFITS

Question No. 4,789—**Mr. Howie:**

As of January 1 (a) 1981 (b) 1982 (c) 1983, how many persons were receiving old age security benefits?

Order Paper Questions

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare):

	As At	Old Age Security Basic Pension Only	Basic Old Age Security and Guaranteed Income Supplement	Spouse's Allowance
(a)	January, 1981	1,051,352	1,245,662	85,175
(b)	January, 1982	1,104,443	1,257,997	86,961
(c)	January, 1983	1,168,250	1,253,967	87,560

OVER THE COUNTER MEDICATIONS

Question No. 4,802—**Mr. Howie:**

What safeguards are in place to protect citizens against tampering with over-the-counter medications?

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): On December 29, 1982, a departmental news release announced that regulations would be passed ensuring that security packages are used for all non-prescription drugs manufactured after January 1, 1984. The reguations will apply to drugs for ingestion, inhalation, insertion or application to the eyes and will require that drug labels alert consumers to the security features used so that products may be examined to ensure that they have not been opened.

Although the schedule for implementing these proposals provides for orderly changes in production without disrupting the consumer's access to products for self-medication, many manufacturers have already introduced new packages with additional security features.

CANADIAN COMMERCIAL CORPORATION

Question No. 4,836—**Mr. Mazankowski:**

1. Is there a Canadian Commercial Corporation Industrial Advisory Committee and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the government?

2. (a) What are the terms of reference of the Committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Committee publish in the fiscal year 1982-83?

Hon. Gerald Regan (Minister of State (International Trade)): 1. Yes, there is a Canadian Commercial Corporation Industry Advisory Committee.

(a) A list of its members is shown below.

(b) (i) Background or expertise: Most organizations are represented by the full-time executive director or president, as well as by one of the practising or operating members who is particularly concerned with, and knowledgeable about the types of activities in which the Canadian Commercial Corporation is engaged. (ii) Term of appointment of each member; no fixed time-limits.

(c) The members do not receive any remuneration in the form of a salary; if reasonable travel expenses are claimed they are paid. To-date, since 1979 travel expenses have been claimed by only one member, in the amount of $163.95.

(d) No other funding has been provided by or through the Canadian Commercial Corporation.

2. (a) Terms of reference of the Commitee: The CCC Industry Advisory Committee was established in 1979 as a means of ensuring that the Corporation is aware of and responsive to private sector needs. Generally there are two representatives from each of the major bodies whose professional and business activities reflect a strong interest in exports or in overseas capital projects. They provide the Corporation with advice on these matters.

(b) In fiscal year 1982-83, it considered CCC's role, present and future.

(c) The Committee met once during fiscal year 1982-83; no specific number of meetings is prescribed, but it generally meets once or twice a year.

(d) The Committee did not publish any report or recommendations in fiscal year 1982-83.

CCC Industry Advisory Committee

Organization	
Air Industries Association of Canada (AIAC)	J. DesRoches—President V. V. R. Symonds (Litton Systems Canada Limited) —Chairman, Marketing Committee, AIAC
Association of Consulting Engineers of Canada (ACEC)	J. Tremblay—President (Les Consultants Pluritec Ltée) H. R. Pinault—Managing Director
Canadian Bankers Association (CBA)	E. J. Morris (Can. Imperial Bank of Commerce) —Chairman, Export/Import Committee, CBA
Canadian Chamber of Commerce (CChC)	S. F. Hughes—President Stuart McEvoy (Alcan Aluminium Ltd.) —Chairman, Intern. Affairs Committee, CChC
Canadian Construction Association (CCA)	R. E. Nuth—President R. Balfour (R.B.E.C.S. Ltd.) —Chairman, CCA Export Committee
Canadian Export Association (CEA)	T. M. Burns—President P. G. Opler (The Foundation Company of Canada Limited) —Chairman, Foreign Capital Projects Committee, CEA
Canadain Federation of Independent Business (CFIB)	J. F. Bulloch—President
Canadian Manufacturers Association (CMA)	R. L. Phillips—President Ronald McCallum (Hawker Siddeley Canada Ltd.) —Chairman, Export Committee, CMA
Electrical and Electronic Manufacturers Association of Canada (EEMAC)	D. E. P. Armour—President N. J. Fodor (Electrovert Limited) —Chairman, Export Council, EEMAC
Royal Architectural Institute of Canada (RAIC)	(P. van Es) Executive Director Boris Zerafa, FRAIC

IMPACT OF INTEREST RATES

Question No. 4,879—**Mr. Mazankowski:**

1. Is the Economic Council of Canada's econometric model capable of estimating the impact on short-term and long-term interest rates in Canada for varying levels of the deficit and, if so, what changes in short-term and long-term interest rates from current levels does it predict based on the deficit projections contained in the Budget?

2. What impact would the changes in interest rates have on the cost of servicing the national debt?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. (a) The Economic Council of Canada econometric model is capable of estimating the impact on short-term and long-term interest rates in Canada for varying levels of the deficit. Depending on the factors that cause the deficit to vary some judgments are necessary when using the econometric model to estimate such impacts. These judgments are related to channels of influence that the econometric model, in its general form, does not account for when used in a specific application.

(b) Imposing, among other things, our best judgment about the path of interest rates in the United States, the most recent national accounts revisions and the April 19, 1983 federal budget, on the econometric model of the Economic Council of Canada, annual averages of short-term interest rates in Canada in the medium run will remain unchanged from current levels; annual averages of long-term interest rates in the medium run continue a downward trend.

2. In the absence of any change in spending levels the cost of servicing the national debt and interest rates are positively related. For example, see Table A-2 of The Fiscal Plan, April 19, 1983, The Federal Budget. In Table A-2 the impact of reducing interest rates by 100 basic points is reported. Such a reduction would reduce the deficit by $1.4 billion. A similar result has been obtained using the econometric model of the Economic Council of Canada.

[*English*]

Madam Speaker, I would 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?

Some Hon. Members: Agreed.

* * *

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

OBJECTIONS TO COMMISSIONS' REPORTS RESPECTING NOVA SCOTIA AND SASKATCHEWAN

The House proceeded to the consideration of objections to the reports of the Electoral Boundaries Commissions for the Provinces of Nova Scotia and Saskatchewan.

Electoral Boundaries

Mr. Howard Crosby (Halifax West): Madam Speaker, I rise in a representative capacity on behalf of my colleagues in the Progressive Conservative Party from the Province of Nova Scotia to indicate our objection to the report of the Electoral Boundaries Commission for the Province of Nova Scotia.

We appreciate and recognize that it is always a difficult task to settle what must be, in the final analysis, an arbitrary decision, but at the same time there are methods and processes that can be followed to bring about a proper distribution that will be satisfactory to the greatest number of persons.

Let me begin by recognizing that the point of the exercise is to ensure the representation of people, in this case people in the Province of Nova Scotia, in the Parliament of Canada. It is for that reason that we want to be extremely careful that the process results in a fair and adequate representation.

Let me provide some background to this process, Mr. Speaker. Under the provisions of the Electoral Boundaries Readjustment Act we implement those provisions that were enshrined in the British North America Act, now called the Constitution Act, that were intended to ensure proper representation for Canadians as time went on. The method for ensuring such representation was to provide for a decennial census. This census began in 1871 and has continued every tenth year thereafter. It was on the basis of the results of that count of the population that we determined the representation in the House of Commons.

Nova Scotia has not always fared well in this process. In 1867, at the time of Confederation, the Province was one of the key members of the Confederation. Over the years the Provinces of Ontario and Quebec developed at a much greater rate and, in the result, Nova Scotia tended to pale in comparison to the major Provinces of Quebec and Ontario. Now there is rapid development in the West in the Provinces of British Columbia and Alberta and Nova Scotia assumes a relatively lower level role in our Confederation.

All of this has been taken into account in the process. It is now part of the process that Provinces are classified for electoral representation purposes as larger Provinces; other Provinces fall into the category of small Provinces. Nova Scotia falls into the small Province category.

I point that out because we in Nova Scotia believe that we are at our minimum level of representation. In fact, according to the floor rule for parliamentary representation, Nova Scotia cannot go below a level of ten Members of Parliament, that being the level equal to the number of seats provided for Nova Scotia in the other place.

In reviewing the history of this, I want to point out that on two occasions in the recent past, as a result of the 1941 census and as a result of the 1961 census, Nova Scotia has lost representation. Prior to the 1961 redistribution, Nova Scotia had 12 seats in the Parliament of Canada; as a result of the 1961 census, Nova Scotia was reduced to 11 parliamentary seats.

The proposal now before the House and represented by the work of the Commission under the Electoral Boundaries Readjustment Act would restore Nova Scotia to 12 seats. In a sense, the Province stands to gain by this process. The important point is to ensure that the gain is properly distributed over the population within the Province.

That brings me to the basis for our objection, Mr. Speaker. We do not consider that the work done by the Electoral Boundaries Commission in Nova Scotia, however adequate it was, should be approved without reflection of the kinds of criticisms we have raised. We have done that specifically in our objection which is part of the records of the House of Commons.

• (1210)

We believe that the Commission failed to give adequate attention and consideration to geographical, political and demographic factors when planning the distribution of electoral boundaries.

My second point, Mr. Speaker, is that the Commission included Sable Island in the constituency of Halifax. My colleague, the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), has a very special interest in that aspect of the redistribution; I am sure he will want to speak to that subject as this debate continues.

The third listed reason, Mr. Speaker, is that the Commission did not give adequate consideration to all the representations made to the Commission during the course of its public hearings.

I will begin, Mr. Speaker, with a consideration of the last point. There was very little in the way of public representation made to the Commission when it held its hearings across Nova Scotia. In fact, in some cases the hearings were cancelled because of lack of interest.

To put that matter in context, let me point out to the House of Commons that in the case of Nova Scotia the quotient which was used to determine the population base for each of the 12 constituencies was 70,620. Under the rules and regulations which apply to this redistribution process, that number can be varied by 25 per cent either way, that is, a minimum of 25 per cent below, which is a population of 52,965, and a maximum of 25 per cent above, which would result in a population of 88,275.

I believe the next step, Mr. Speaker, is to review the actual setting up of the 12 constituencies in relation to that population base, and what we find in terms of public objections which we feel were not given proper consideration. First of all, in those constituencies where there was no change in the boundaries and where, in fact, the population base was relatively close to the mean of 70,600—that would include the federal constituency of South Shore and the federal constituency of South West Nova—there were, naturally enough, no real objections. I feel that pertains as well to the federal constituency of Cumberland-Colchester which was unchanged with a population base of 78,455. There were no objections. I believe the area of objection, Mr. Speaker, centers in the Halifax district where there now exists under the present electoral representation three federal constituencies within the County of Halifax. Under the changes which are proposed by the Electoral Boundaries Commission for Nova Scotia, there will be four constituencies, almost exactly within that same area. It is in fact Halifax County, plus a portion of Hants County.

It is understandable, therefore, that the majority of the objections would arise in relation to this change in the Halifax area whereby three federal constituencies are being expanded into four. I will deal with that in a more direct way and I am sure my colleague, the Hon. Member for Dartmouth-Halifax East, will want to make some remarks on the effects this has on his constituency, which will become the constituency of Dartmouth, and on the failure to include Sable Island within the constituency of Dartmouth.

I would like very briefly to comment on the federal constituencies for the Province of Nova Scotia. First of all, we have the constituency of Annapolis Valley-Hants, which has been well represented by my hon. colleague in the Progressive Conservative Party for over 18 years now. There has been very little change in the population base. After what little adjustments have been made it will be 72,174.

Cape Breton-East Richmond, which is a constituency the representation of which has fluctuated from party to party over the years, will have a population base of 64,495, which is a substantial 6,000 below the mean. However, there does not appear to be any special reasons for including territorial areas in that constituency beyond what are now part of the existing boundaries.

Cape Breton Highlands-Canso has a population base which has not changed. The population base is 65,883. Of course, we don't want that to change because the Deputy Prime Minister (Mr. MacEachen) has enough difficulty getting around the constituency as it now is, and to provide the services which we all provide in our constituencies. Therefore, we do not want to see the people of Cape Breton Highlands-Canso be any less served than they are now. Therefore, we are not going to raise any special objection. Because of the fact that that is one of the smaller constituencies, no attempt has been made to enlarge it.

Cape Breton-The Sydneys involves the industrial community of the Sydneys and the surrounding area. It has a population base of 65,000. I would have to have some concern for my colleague who represents that constituency because it has a great deal of difficulty, mostly based on economic policies of the Government and the failure to provide adequate assistance for the Cape Breton steel industry—Sydney Steel Company—

which is a large employer in that area. Again, there cannot be real objection to the relatively low number of persons which form the population base in that constituency because it will provide sufficient difficulties for the Hon. Member who represents it. I know that Hon. Member is having quite a bit of difficulty at the present time.

The fifth constituency of Central Nova is well represented. Of course, the seat has now been declared vacant and we are anticipating a by-election there. We anticipate the continued good representation for that constituency by not only a member of the Progressive Conservative Party, but by the newly-elected Leader of the Progressive Conservative Party who, we understand, intends to run in the constituency of Central Nova. Under the adjustment process, that constituency would have a population base similar to Cape Breton Highlands-Canso and Cape Breton-The Sydneys of 65,332. Cumberland-Colchester is the sixth constituency and it will remain unchanged, along with South Shore and South West Nova, which are the eleventh and twelfth numbered constituencies, and they have not created any great difficulty in this process.

The new proposed constituencies are as follows: No. 7, Dartmouth; No. 8, Halifax; No. 9, Halifax East; and No. 10, Halifax West. Those are the four constituencies which are in the greater Halifax-Dartmouth area and are the constituencies with which we have the greatest complaint.

In the case of Halifax West, if that constituency had been left alone to include my own area of Clayton Park, the very place in which I live, it would have had a population almost exactly similar to the constituency of Halifax. For some strange reason, however, which I have yet to understand, the Boundaries Commission took the area of Clayton Park, where I live and where my children go to school, and where we patronize the local grocery store, lifted it out of Halifax West and plumped it down alongside Halifax, which is represented by my colleague, if not my friend, the Minister of State for International Trade (Mr. Regan). In the result, instead of each constituency having the mean number of 70,6000, the federal constituency of Halifax ends up with a population base of 78,231 and Halifax West ends up with a population base of 68,676. If the location of Clayton Park in Halifax West had been left alone, the two constituencies would have been almost equal in population base. I feel it is kind of a strange thing—I am sure even my Liberal colleagues would agree—when they lift my very residence out of Halifax West and put it down in Halifax, resulting in an imbalance of population of some 10,000. There is a difference now of 10,000. Halifax West has a population of 68,676 versus Halifax with a populaton of 78,231.

One of our concerns in this process must be the allegation of gerrymandering of constituencies. Of course, that immediately comes to mind when virtually your own house is moved from one place to another. However, I do not suspect that at all because I know that the honourable persons who served on the Electoral Boundaries Commission would not do something like that. I know Mr. Justice Pace, who represented the Liberal Party so well in the House of Assembly in Nova Scotia, would not do anything like that. I know Mr. O'Coyne who worked and toiled so hard for the Liberal Party as an executive officer, or in some other capacity, would not think of doing a thing like that. I would not at all suggest that there would be any chicanery involved in this process, so I do not want to object any further to the removal of my own house and property from the constituency of Halifax West. I know the Minister of State for International Trade will not be there the next time around and I will not have to worry about that too much.

• (1220)

In summary, Mr. Speaker, let me just say that we are concerned that everyone in Nova Scotia receive adequate representation as a result of this process. We appreciate the fact that, as a result of the process, which incidentally increased the number of seats in the House of Commons from 282 to 310, Nova Scotia will get one more seat, an increase from 11 to 12, which will bring it back to the 1961 level. There are some benefits but we are concerned that the process is fairly and properly conducted. We have concern that the process was less than entirely adequate, with all due respect to the persons who applied the process and with all due regard for the fact that it is not a perfect process.

I want to give my colleague, the Hon. Member for Dartmouth-Halifax East, the opportunity to contribute to this debate because I know he has some special concerns with respect to his own constituency, particularly with respect to the inclusion of Sable Island within the boundaries of the new constituency of Dartmouth.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish we had more time in debates like this. There are a lot of Members from Saskatchewan who would like to speak in this particular debate about the report of the Saskatchewan Boundaries Commission in 1983. My good friend from Qu'Appelle-Moose Mountain (Mr. Hamilton) is in the House. I know he would like to speak and I am sure he will later on. There are other Members of our Party who want to speak as well.

We had three very distinguished gentlemen on the Saskatchewan Commission which held hearings throughout the Province, Mr. Speaker, but I want to say, with respect, that I think they did not listen very well to many of the representations made to them by representatives of all three political Parties in Saskatchewan, members of which I think would concur in that statement.

Many of the hearings were very well attended. We had many ordinary citizens who came out to many of these hearings. We had representatives of all three political Parties who concurred on a number of things. We had the concurrence of the Saskatchewan MPs in the Conservative Party, which is half the Province, or seven, and the New Democratic Party, which is the other half, or seven, on many of the boundaries. Despite this harmony, this commonality, concerning what we thought should happen, in many cases the Commission did not listen to us or the people. For that reason we decided to file the objection we are now discussing in the House.

I want to stress at the outset that many of the things said to the Commission were said by representatives of all three political Parties and because of historical community interests and traditions in Saskatchewan. The point that really puzzled a lot of us in Saskatchewan is that the Boundaries Commission did not make very much use at all of the plus or minus 25 per cent rule. They drew arbitrary lines in many cases for our 14 Saskatchewan constituencies. They did not deviate from an average. For example, the least populous riding as recommended by them, to be called Regina-Lumsden, has a population of 67,183. The most populous riding is called Saskatoon-Dundurn, which is primarily city but also partly rural, with a population of 71,432. So of the 14 ridings in Saskatchewan the difference between the least and the most populous will be 4,549 people. Mr. Speaker, I do not think that is good enough.

I have had a chance to look at Boundary Commission reports from other Provinces and I notice that in many other Provinces the Commission has, in my opinion, more wisely interpreted the Act by making sure that the deviation is greater for sparsely populated and remote areas. The population will be larger for the urban centres. This was not done in Saskatchewan where a lot of the boundaries are very arbitrary. It is almost as if they took a calculator and divided our population into 14, then took a ruler and put it on the provincial census map and drew 14 areas. I do not think that is good enough. We should go back to the drawing board in Saskatchewan and come up with a map that the people of our Province want, one that will reflect the reality, the community interests, the history and traditions of Saskatchewan in a way which has been done many times in the past, and in other Provinces by Boundaries Commissions in the last few months.

To be specific, Mr. Speaker, the Commission ignored some of the guiding principles in planning redistribution, mainly the recognition of a community of interest. I can go over a number of these, and the Hon. Member for Qu'Appelle-Moose Mountain could do the same thing, where that community of interests was often ignored by the Boundaries Commission. They wanted to have a more exact population figure in each riding, ignoring many times the community of interests.

The second principle they often ignored was the need to follow geographical patterns and boundaries. There is an excellent example of that in that part of the Province represented by myself and the Hon. Member for Qu'Appelle-Moose Mountain, namely the Qu'Appelle River Valley. The Qu'Appelle River is a natural geographical boundary and a natural community boundary. It is a natural boundary in so many ways historically in our Province yet that was ignored. In addition, the Commission did not agree to make as few changes as possible to establish ridings. That is spelled out in Subsection 13(b), Subsection 13(c)(1) and Subsection 13(c)(2) of the Electoral Boundaries Readjustment Act and is included in the terms of reference of the Commission. They did not follow the principle of community interests, geographical patterns and that of making as few changes as possible.

One can go over the map specifically. The map I have before me will create a brand new riding called Prince Albert-Churchill River. That riding, believe it or not, takes up over half of our Province geographically. Yet despite its massive size that constituency has 68,132 people living in it, according to the census. We have many northern ridings in this country with small populations because they are remote, small communities, difficult to serve and with special interests and special needs. In this particular riding there are some 27,000 people who live in the north. They are lumped in with the environs of the City of Prince Albert in one particular constituency. If they wanted to recommend the creation of a northern constituency similar to some of the other Provinces or the Territories of this country, they could have recommended a special Act of this Parliament where we could create a northern riding that would have less than the minimum population. Or, Mr. Speaker, they could have used the plus or minus 25 per cent rule and create a riding which was much smaller in northern Canada. But they ignored this.

In our two big cities, Regina and Saskatoon, they once again ignored the community of interests. What they should have been doing was creating urban ridings because of the commonness of the community sense, or the community feeling. Because the two cities are now too large for just two urban ridings in each of the cases, what they should have done is what has been done time and time again in our Province and other Provinces, federally and provincially. They should have taken the overflow and the new suburbs and placed them into the most relevant rural ridings which touch the city boundaries. However, that was not done.

• (1230)

In the case of the city of Regina, they should have created two urban seats, placing the new suburbs on the east side of the city, into the Qu'Appelle-Moose Mountain constituency, and, on the western side of Regina, placing the new suburbs in the south end of the city, Albert Park and other areas south of Waskana Creek. They should have put those into the Assiniboia riding to raise its population, so that we could have saved Assiniboia, which will disappear, by the way, for the first time ever if the new map comes into effect, a historical name and riding which the people in the Province want to keep and deserve to keep. By the way, it is not our riding now, it is a Conservative riding. However, this is one way of doing it.

Farmers in those rural communities would still have had their own constituency and some of the new suburbs of Regina, which are bordering on the riding, in the riding to give them adequate population. The people and the City of Regina would have had two totally urban constituencies, and that sense of history and tradition which is so important would have been guarded and preserved.

The same is true in the City of Saskatoon. Once again, we have a recommendation of three urban/rural ridings: part rural, part urban, part rural, part urban, part rural and part urban. That is not good enough. I do not think that reflects what our people want at all. Again, we could have had two strictly urban constituencies, placing some of the new suburbs into the adjoining rural riding of Humboldt-Lake Centre to

bring up its population and to preserve it, placing some of the new suburbs in the west end of Saskatoon into the adjoining riding of Kindersley, and that riding would have then been adequate in terms of numbers as well.

These are some specific examples of where the Commission did not listen to the people, where the Commission did not follow the history, precedent and practice of other Boundary Commissions, federal and provincial, over the years. I mentioned Assiniboia. This historical riding will disappear. There is also a boundary change in Swift Current-Maple Creek but, again, I think that this is going in the wrong way. A boundary change for Swift Current-Maple Creek could have been reached north of the South Saskatchewan River, as has occurred in the past—and I want to underline that—rather than moving the boundary substantially toward the east, which means eliminating Assiniboia in the process and creating all kinds of contortions in southeastern Saskatchewan as well. If it would have moved the boundary north, the boundary would have been where it has been in the past, and that would have been much less confusing for the citizens of that part of the country.

In my own constituency of Yorkton-Melville, I believe the Commission erred in both the northern and southern boundaries of the riding. Our part of the Province is one which has two natural boundaries. We have the Qu'Appelle River, the Qu'Appelle River Valley to the south. As Saskatchewan Members like the Hon. Member for Moose Jaw (Mr. Neil) and others know, that is a natural boundary. There are school board divisions where, in the south, people are in a different school board than those in the north. Wheat pools are divided by the river, municipalities are divided by the river, and all kinds of community activities, church groups and so on are divided by the river. Instead, the Commission ignores the fact that this is a natural geographical, community, social, cultural and historical boundary and tries to put people on both sides of it into the same constituency.

Mr. Pepin: Is that wrong?

Mr. Nystrom: In fact, there are people from communities in the southwest part of the new proposed Yorkton-Melville riding who never go to Yorkton and Melville to shop. They go into Regina to shop because it is much closer. That is where they always go for their social activities, or else they go into the eastern towns of Indian Head, Wolseley, Moosomin, Whitewood, or down toward Weyburn. Their sense of community is in that direction or in the direction of the City of Regina, and not north and east a long, long ways into the City of Yorkton.

I would like to mention the second natural boundary. Again, the Commission ignored the advice of ordinary citizens and folk, I suggest from all political Parties. I say this in response to the Minister of Transport (Mr. Pepin) who asks "Is it bad?" The Minister can check with Mr. Ralph Goodale, if he wishes.

In the north, we have a forest reserve. It is a natural boundary. It is natural because it is a big forest. People very seldom go through the forest reserve because all their organizations, communities and so on are to the south or, north of the reserve, to the north and to the west. It is a forest reserve where there are bears and other animals. However, people see that as being a natural boundary and that was said time and time again to the Commission. In fact, two members of the Commission on their way to Yorkton for the hearings drove through the forest reserve. They said they understood that this was a natural boundary because of the fact that they had just driven through it and they had seen what a forest reserve is really like; yet the map ignores this very natural boundary in northeastern Saskatchewan.

I do not know why these Commissions do not listen to ordinary folk. There is much more common sense in the minds of ordinary citizens of this country, it seems at times, than there is in the minds of people who are appointed to high positions by various Governments across the land.

I mention the constituency of Humboldt-Lake Centre, represented by my friend who is here in the House today. In the new map, this constituency disappears altogether. It is going, I believe, into five different constituencies. Right now that constituency which, I suppose, was historically called the old Lake Centre riding, represented by a former Prime Minister, John Diefenbaker, is one which was basically carved out of central Saskatchewan, the great grain producing area. There is commonness of interest, I suppose among those people who live between Prince Albert and Regina and Saskatoon, those who live in the central part of the Province. That riding, too, will disappear, going off into five different constituencies.

One way of saving the riding would have been to add some of the new suburbs of the City of Saskatoon, from the south eastern part of the City of Saskatoon, to Humboldt-Lake Centre. That would have raised its population very well.

Mr. Pepin: Would that be natural?

Mr. Nystrom: I think it is more natural.

Mr. Althouse: It never was natural, never.

Mr. Nystrom: It is a riding which is in the centre of everything. I think it is more natural to have two totally urban constituencies in the City of Saskatoon and to place the new suburbs into adjacent rural ridings than it is to create three ridings which are partially urban and partially rural.

Mr. Pepin: The point is that you always trade off something.

Mr. Nystrom: One always trades off something. The populations are not large enough to create three fully urban ridings, but they can create 2.5 urban ridings. Instead of creating six urban ridings between the two cities, this way there would be four which were urban and two which were urban and rural. That would give a greater sense of community. In any event, that was the feeling of so many people in the Province from all the different political Parties.

Therefore, where do we go from here? I hope we can persuade those involved in the process from here on in that we should go back to the drawing board and listen to the ordinary folk in order that we might make greater use of the plus or minus 25 per cent rule, which has been done in Quebec and other Provinces, such as Ontario. Some of our rural areas have smaller populations because they are a little more scattered and remote at the north. If we are to have only one riding there should be a smaller population because of the fact that it is also remote. The urban centres, because they are more compact, could perhaps have slightly larger ridings or populations. Perhaps even a riding like mine, which is rural and urban now but where the towns are closer together and the farms are a little bit smaller, could be on the larger side as well. Those kinds of suggestions make sense.

Another matter which arose in our hearings concerns the fact that Saskatchewan has certain ethnic patterns, cultural patterns, in terms of where people live. This is another factor which was ignored by the Commission as it sat down and arbitrarily drew 14 lines on the map of our Province without anywhere near the regard it should have had for the reality concerning the Province.

• (1240)

One can also say that the riding of The Battlefords-Meadow Lake changes quite drastically as well. It is interesting once again to note that representatives of both political Parties that have MPs in that area were in agreement that the proposed boundaries by the Commission did not make any sense. In this case, they made some boundary changes but a change that was not recommended by either. I do not know where they get their ideas.

With that, I look forward to hearing other Members of the Saskatchewan delegation from both our Party and the Conservative Party try to persuade the powers that be that we have a map that reflects what the people of Saskatchewan really want and need.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I am aware that there are only ten minutes left. I also know that the presentation on Nova Scotia was only half completed; the other half will be completed later.

I will reduce my remarks to approximately five minutes since they correspond in many ways with those of the Hon. Member for Yorkton-Melville (Mr. Nystrom). I will put it very clearly to the House that the problem in Saskatchewan is basically that we have 4 per cent of the population of Canada and 35 per cent of the roads. The roads are our main communication technique.

The Commission has held to the view of the nineteenth century concept that one person should get one vote, or representation by population. To hold to that view realistically forced Parliament to introduce new legislation 25 years ago that used the word "may". While the British North America Act provides for keeping a provincial average, the legislation gave the Commission power to vary them up or down 25 per cent based on two reasons which were geography and community of interest. The previous speaker has already referred to that. Therefore I want to keep my remarks confined to a simple part of the problem which was dealt with by the Hon. Member for Yorkton-Melville. Simply, it is southern Saskatchewan.

The community of interest can only be appreciated by those who must live and work there. I come from a riding south of Qu'Appelle where the boundary line has always been that river along which we have always moved back and forth in an easterly direction. It is a historic riding from where Members of Parliament have been sent to Ottawa since 1882, long before Saskatchewan was a Province. We call ourselves the mainliners because the main line of the CPR runs through our constituency and because the Trans-Canada Highway runs through it now.

The mainliners are from a cultural community that moves towards Regina east from west. Melville has east and west connections to Regina and Yorkton has east and west connections partially to Regina and partially to Saskatoon. For any map to meet the geographic conditions of Saskatchewan, it must allow for these features of geography.

The Hon. Member for Yorkton-Melville talked about a big forest barring one part of his riding from another. I talked about the Moose Mountains that are a barrier to us in the south. The point I am making is that the historic seat of Qu'Appelle has been cut into four parts. It certainly smashes a 100-year-old tradition and breaks the hearts of those people who went there from Quebec, Ontario, the Atlantic Provinces and all over the world. We have kept it as a community and to see it broken apart is a very dreadful experience for those who must endure it.

In my submission which I intend to send to the Commission, I have proposed more precise maps based on municipal boundaries, based on the barriers and based on the community of interest. This helps the Hon. Member for Yorkton-Melville by putting the natural boundary of Qu'Appelle between us and ties up the highways from Melville and Yorkton running north and west right through an area that he knows well since it was part of the seat he represented when he first came here. Those people move up and down that line. It is based on highways and the geographic boundaries.

The five constituencies which I believe I have mentioned in my representation are Yorkton, Melville and Regina, Qu'Appelle-Moose Mountain, and Swift Current. I put this proposal forward to the Commission in the form of maps. While they have seen those maps before, they did not listen properly and I hope that this time they will seriously consider these boundary adjustments for which all Parties made strong representations in the eight meetings we had last fall on these boundary adjustments. When we have all parties in Saskatchewan agreeing, that is news.

I am simply suggesting that the Commission pay attention to what the people who have to work in the fields and with others are trying to recommend. I have suggested minor changes as well. I will conclude my remarks and hope that the

House will take kindly to the representations we have made so that the Commission is impressed by the fact that Parliament does not like being confronted with actions which are different from what Parliament has directed this Commission to follow.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I will also be relatively brief since I believe there are only about four minutes left. I wish to make three points. First, I am rapidly coming to the view that perhaps this Chamber might be well advised to express its sincere appreciation to the distinguished Commissioners and ask them to retire so that the House itself could undertake this job. I am coming to that view for a variety of reasons. The principal view is that I strongly believe that Members of this Chamber, as it exists on June 17 of 1983, are quite capable of rendering that type of representation which is required for the people of this country. I suggest that enlarging the House from its present 282 Members to approximately 312 Members is a burden on the taxpayers of Canada. It costs approximately $550,000 in taxpayers' money to keep each one of us here and support us with the variety of services that we require as matters become more technical in nature.

The fact of the matter is that when I came here I represented approximately 240,000 people. We did not have telephones. I was not able to fly home every weekend. Members had secretaries whom they called up from a pool and who were kind enough to type letters for us. By and large correspondence with our constituents was handwritten. It worked well. The countryside from Ecum Secum to Hubbards, Nova Scotia, including the Cities of Halifax and Dartmouth, were well served, if I may modestly suggest that.

I see no reason for us to go through this exercise. I would simply repeat that perhaps the Commissioners might now retire and let the Members of this House finally address themselves to whether or not the formulas we worked out a few years ago are in fact necessary. Let us be absolutely certain of that before we add some $16 million or $17 million in expenditures to this Chamber and the taxpayers of this country.

Among other things, I have objected to the Commission's work with respect to Dartmouth. It is not singularly because a new seat for Nova Scotia has been carved out of the Dartmouth-Halifax East riding but that it crosses municipal and provincial lines and makes somewhat of a mockery of the social structure of our communities.

Before I adjourn the debate, I wish to make one final point. Historically, Sable Island has been administered by the Department of Transport from Dartmouth, Nova Scotia. The custodian of that island is in the marine agency in Dartmouth. The overseer is in the marine agency in Dartmouth. The facilities at Sable are maintained by employees of the Department of Transport whose headquarters are in Dartmouth. Ten years ago when we had redistribution the Commissioner was not really thinking about it and simply put it in Halifax because that is where it had always been. It had been the electoral district of Halifax. We had redistribution. We created three ridings. The commissioner left Sable Island in its unnatural habitat, that is, in the electoral district of Halifax, and it should have been in Dartmouth electoral district.

• (1250)

Mr. Speaker, would you like me to adjourn the debate?

Mr. Deputy Speaker: Pursuant to a House order adopted yesterday, we will now proceed to Orders of the Day.

Mr. Lewis: Mr. Speaker, I rise on a point of order. I believe I am joined by the Government in this point of order. I simply want to say that it should be our understanding and the understanding of the House that debate on these two objections has been adjourned for continuation at a later date. It would be the wish, I believe, of all Parties that no report be made by the Speaker to the Electoral Reform Commissions of either Nova Scotia or Saskatchewan until such time as that debate has been completed by this House.

Mr. Deputy Speaker: Is that the unanimous understanding of the House?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

GOVERNMENT ORDERS

[*Translation*]

CANADA STUDENT LOANS ACT (NO. 2)

MEASURE TO AMEND

Hon. Serge Joyal (Secretary of State) moved that Bill C-161, an Act to amend the Canada Student Loans Act (No. 2), be read the second time and referred to a Committee of the Whole, with the unanimous consent of the House.

He said: Mr. Speaker, upon rising today to resume debate on this Bill, I would like to express my gratitude to my colleagues on the other side of the House.

[*English*]

I want to thank all Members on both sides of the House for their co-operation, and especially the Ministers of Education in Canada who have co-operated with the Canadian Government in past months to achieve the proposed amendments that we will be debating today.

[*Translation*]

The Canada Student Loans program was established in 1964 and, since that time, has benefited about two million students. In 1980, an in-depth study was made of the various federal and provincial programs providing student assistance, and it was found that the vast majority of students, parents and the general public supported the basic principles underly-

ing current student assistance programs. We are aware, however, that after twenty years, it is time to change some of the plan's basic elements to allow for rising costs of higher education and the socio-economic climate confronting the student today. The changes we are proposing involve additional funding of $60 million, to be paid over two years. In my view, these changes should not be seen as just amendments to a specific piece of legislation but as one of the basic elements of a broader objective, which is to make education accessible to all Canadian students and to maximize development of human resources.

My colleague, the Minister of Employment and Immigration (Mr. Axworthy), has established a national training program which includes the Skill Growth Fund and the Critical Trade Skills Training Program. In addition, the Minister of State for Economic Development and the Minister of State for Science and Technology (Mr. Johnston) has been collaborating with other Ministers on improving the direction and structure of research and technology development, especially in terms of the joint effort being made in this area by Government, industry and the academic world.

These initiatives and others of a similar nature, to which will be added the proposed changes in the Canada Student Loans Act, are all part of a group of proposals that reflect the changing character of higher education and of our economy.

[*English*]

I would now like to indicate to the House the three main concerns which are addressed in Bill C-161 and to explain their importance to Canadian students.

The first concern pertains to loan limits. The present weekly loan limit is $56.25, a limit which was based on a previous annual limit of $1,800 set in 1974. We know that a 1983 dollar and a 1974 dollar do not have the same purchasing power, hence the need for an upward revision in the loan limit. The Bill now before the House proposes increasing the weekly loan limit from $56.25 to $100 a week, with some provision for escalation as required.

The Bill also takes into account the needs of students pursuing long-term studies. It is obvious, for example, that students pursuing medicine, law or post-graduate studies will require loans over a longer period than students following a three-year undergraduate or community college program. We are, therefore, advocating in this Bill dropping the lifetime limit of what students can borrow, which presently stands at $9,800, and replacing it by a simple limit of ten years. It has been generally agreed that dollar levels will be established which will be used as guidelines by Provinces to monitor the debt load of individual students.

The increase in loan limits to $100 a week will not satisfy—everyone, but in a time of economic restraint we had to look at a scale of assistance that we could deal with, thus the determination to see if we can help those who need help most.

This brings me to the second main concern with which we deal in this Bill, the client group served. The present Canada Student Loans Program applies only to full-time students, but in today's society there is another population with very real needs as they pursue post-secondary education. I am referring to part-time students, both at universities and community colleges. This group of students has been making known its needs over the years. COPUS has made many representations. COPUS, the Canadian Organization of Part-Time University Students, represents over 250,000 students and as such reflects a real and growing constituency.

In recognizing the needs of part-time students we are recognizing the evolution of Canadian society. For instance, as women become a larger percentage of the labour force, part-time studies often provide them with a bridge between child rearing and employment. In many cases in the past, part-time students simply have not had the funds available to pursue the courses which could add to their future employability. This has meant a loss to the work force, particularly in regard to professional and skilled positions.

Under the Bill before the House, part-time students taking post-secondary courses accepted by the designated institution as credit toward a degree, diploma or certificate will qualify for a loan. There are, of course, various limitations to this provision. The course must be equivalent to a course that may be taken by a full-time student as part of a program of studies of at least 12 consecutive weeks' duration. The applicant must demonstrate a need for assistance as measured by a means test. The loan will cover the cost of tuition, books, transportation, child care and miscellaneous allowances.

At the present time it is difficult to predict how many part-time students would qualify for assistance under this new provision, but we anticipate that more than 20,000 to 30,000 students a year might apply.

The third main area of concern which we address in this Bill relates to the problems which many students are encountering when they complete their education and attempt to enter the labour force. The transition from university to the work place, which at one time could be accomplished within a space of one to four months, is no longer an easy transition.

As I see the clock, Mr. Speaker, I would like to stop at this point and resume the debate at two o'clock.

[*Translation*]

Mr. Deputy Speaker: Order, please. It being one o'clock, I do now leave the Chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

[*English*]

AFTER RECESS

The House resumed at 2 p.m.

Mr. Joyal: Mr. Speaker, I would like to continue the presentation of the content and core of this Bill. As I was reminding Hon. Members before we adjourned for the lunch-

eon break, the third main area of concern which we address in the Bill relates to the problems many students are encountering when they complete their education and attempt to enter the labour force. The transition from university to the work force, which at one time could be accomplished within a space of one to four months, is no longer an easy transition. The fight against youth unemployment is an increasingly strong priority of Government. A student loans program must therefore take into account the fact that many students will not be able to begin to repay their student loans as quickly as may have been possible in the past.

The Government of Canada recognizes the legitimate difficulties that some graduates are encountering in finding employment on the completion of their studies. We are therefore proposing in the legislation an interest relief plan to cover interest charges on outstanding loans for a period of up to 18 months, in addition to the current six-month period of interest-free status for those who complete their studies.

The interest relief provisions in the proposed amendments to the Canada Student Loans Act are aimed at the unemployed borrower who is unable to keep up the payments. Under these provisions the student will be able to apply for interest relief for an initial period of three months but for no longer than 18 months in total. To qualify for interest relief, the individual must be unemployed and have a gross family income below a minimum level.

The interest relief provision is important for a number of reasons. We know that students embarking on a loan worry about the day when they must repay it. This is a particularly vital worry to young Canadians from lower income families who realize that they will be able to account on little assistance from their families when the time for repayment arrives. For students such as these, the prospect of a major debt load combined with worries about finding a job could turn them aside from their studies. These provisions will give reassurance and a greater sense of security to students as they enter into student loans.

Interest relief will also cut down on defaults because of its more generous time period. We do not know how many defaults can be explained by unemployment since the banks, in pressing their claims, do not always give a reason for defaults. However, over the past year there has been an increase of 20 per cent in claims by the banks, and I think it can logically be assumed that much of this increase is attributable to diminished employment prospects.

It is hoped that the interest relief provision will help to alleviate time pressures which are experienced by those who are to begin repayment of their student loans. I suggest, too, that it will have a psychological benefit by presenting to young Canadians a loan plan with which they feel they can cope.

I mentioned earlier that the amendments to the Canada Student Loans Act presented in Bill C-161 are aimed at helping those Canadians who need help most. In that regard I want to highlight one provision which I feel should gain full support in this house, particularly in regard to the Government's response to the Obstacles Report. The special interest-free periods proposed in Clause 7(1) include, in addition to the unemployed, those borrowers who are incapable of working due to illness or disability. There is also a waiver provision for those who are permanently disabled. Special concern for disabled Canadian students and graduates is thus a feature of this Bill which will give added protection and security to this group of Canadians.

I have now outlined the three main features of the amendments: higher loan limits, aid to part-time students and interest relief. These amendments recognize real needs and take solid steps on a number of fronts. In addition, the proposed amendments have met with an encouraging degree of support from Provinces participating in the Canada Student Loans Program.

Consultations with the Provinces were carried out, both at the ministerial level and at the official level. It is in the context of these consultations that I point to a high degree of provincial support. Indeed, on April 25 the Hon. Bette Stephenson, chairperson of the Council of Ministers of Education of Canada, issued a communiqué to federal Ministers of Parliament which I am sure all Hon. Members will recall. In the communiqué she indicated:

> We are hoping for speedy passage of this legislation, which we believe is appropriate for these difficult times, especially in view of the fact that assistance through the federal student loan plan has not changed for almost ten years.

The Provinces are thus encouraging us to get on with it. I, for one, am most anxious to take advantage of this federal-provincial co-operation and accord to bring about much needed further assistance to Canadian students.

[*Translation*]

Mr. Speaker, we obviously want students to be able to benefit from these, more generous, terms of federal assistance, and I am counting on the provincial Governments to help us achieve this objective.

In addition to encouraging comments received from the provinces and various student associations, I noticed that both Opposition parties seem to be in favour of this legislation. I would therefore urge the House to consider this Bill without delay, so that students across Canada will be able to benefit from its provisions as soon as possible.

[*English*]

Mr. Walter McLean (Waterloo): Mr. Speaker, I rise to participate in the debate on Bill C-161, an Act to amend the Canada Student Loans Act (No. 2). I assure the Secretary of State (Mr. Joyal) that my colleagues and I in the Official Opposition are in a position, as he knows, to co-operate in the passage today of this legislation. In fact, he knows we have been ready to do so ever since he announced his proposed changes outside the House on March 18.

Our major concern, now that it has taken the Government three months to introduce the Bill, is whether or not these changes will be in place in time for September, 1983. I, as well as other of my colleagues who represent university centres across Canada, have heard the concerns of admission officers,

of students who are seeking to make their plans and of parents, families and others who are supporting students, and those anxious to continue their education.

• (1410)

The Minister is aware of the April 25 communiqué he received from the Council of Ministers of Education which stated even then the need for quick action to provide, and I quote:

—additional financial assistance to post-secondary students . . . especially in view of the fact that assistance through the Federal Student Loan Plan has not changed for almost ten years.

As we now know and as the Minister has been outlining before the House, this legislation provides for changes to three major categories. First, guaranteed loans are being extended to include eligible part-time students. Second, an interest relief program for unemployed graduates will provide for the payment of interest charges on student loans for both full and part-time students for a period of up 18 months. Third, the weekly student loan limits will be increased from the current level of $56.25 to $100.

I would like to comment on these measures, but first, in the way of general background to this legislation, I would like to take a brief look at the Government's treatment of post-secondary education as a whole and look at these amendments in that context.

The Minister of Finance (Mr. Lalonde) recently tabled Bill C-150, an Act to amend the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977, which enshrines the earlier announcement of his intention to limit transfer payments to the Provinces for post-secondary education support to the six and five formula. The savings to the federal Government compared with what would have been paid out under existing legislation will be $104 million in 1983-84 and $247 million in 1984-85. The two-year break in the normal escalation formula will result in additional savings in each subsequent year, since transfers will escalate from a lower base.

In the meantime, the Minister of Employment and Immigration (Mr. Axworthy) has announced an extra $50 million for the 1983 Canada Summer Student Job Creation Program. Likewise, the Secretary of State said that the amendments we are discussing here today would cost the federal Treasury another $60 million in loan guarantees to the bank. But I would like to know where the balance of the savings from putting the EPF transfers on six and five, some $240 million, are going.

We know that these savings are not—and I repeat not—being used to reduce the federal deficit. We are regularly asked to deal with Bills requesting additional borrowing authority for the federal Government. Now we know from the Minister of Finance that the money is not being spent in any form on either post-secondary institutions or their students.

Once again it would seem that, in a policy area that is crucial to the development of the nation's most important resource, our youth, the Government has no long-term direction. Many of us on this side have questioned various Ministers in the Government about this very troubling deficiency. We have noted that more and more people are choosing to remain in or return to post-secondary institutions because they cannot find work or because they need new skills to be able to qualify for the few existing jobs. Yet at the same time as enrolments are swelling, the federal Government has decided to cut back its support of post-secondary education.

To return, Mr. Speaker, to the amendments proposed in the legislation before us today, let me take this opportunity to congratulate the Minister for extending eligibility under the program to part-time students. This has been advocated by all sides of the House for some time. The Minister is aware that this has long been the position advocated by the Canadian Federation of Students as well as the Task Force on Student Assistance initiated by the Clark Government. It is a long overdue amendment which we on this side of the House welcome.

I do, however, have some trouble with the increase in the weekly loan limits. Let me read a recent letter sent to me by Ms. Diane Flaherty, Executive Director of the Canadian Federation of Students. She writes:

Our greatest concern with the proposed legislation is the increase in the loan ceiling. Student movement research has demonstrated that greater debt loads do not, in fact, increase accessibility for potential students from low income backgrounds. If the proposed changes are to increase accessibility for these students, as we would suggest the changes should do, then they are not fulfilling their function. The only equitable program is one based on non-repayable bursaries, not loans.

The Secretary of State will remember that last summer his predecessor told the Canadian Federation of Students to expect an announcement of a $250 million bursary program. Instead, they are now faced with an offer of $60 million in loan guarantees. The past president of the University of Waterloo Students' Federation, Win Simonis, makes the point that while more money is being made available for students, applicants from lower income families are reluctant to enter into a risky high-debt situation. They are faced with a disincentive to continue into post-secondary education. I might expand that point to include women who are seeking to re-enter the labour force by returning to universities to upgrade their skills. Without that promised bursary program, I think the Secretary of State would agree that anyone faced with the prospect of accumulating a debt load of up to $12,800 over a four-year program, taken on a full or part-time basis, will not see this as a particular incentive.

Furthermore, Mr. Speaker, as my colleague, the Hon. Member for Malpeque (Mr. Gass) has asked elsewhere, what about the student who enters into a loan agreement at a given interest rate, much like someone who enters into an agreement for a mortgage at a high rate, only to see the prime rate fall, leaving him or her with an enormous repayment schedule? I see nothing in this Bill that would provide some flexibility in the interest rate formula which is established by the federal Government. I do, however, understand that negotiations between federal officials and the banks are being planned for later this summer. I want to encourage the Secretary of State

to enter those negotiations mindful of the current interest rates on repayments faced by students who already carry loans taken out when rates were extremely high. This Bill, of course, in its present form, offers them no relief. We look forward to a further amendment or announcement on that.

I look forward as well to hearing of some progress that can be communicated to students who are applying for assistance in the months that lie ahead. I know that the Secretary of State is aware that applications for student assistance were up 23 per cent across the country in the last year alone.

Finally, on the matter of the extension of the interest relief period to 18 months, I and my colleagues on this side of the House welcome the proposal. My concern, however, is for those students carrying large debts, many of whom have been unable to find work. For them, this move comes rather late in the day.

The Secretary of State knows of the record unemployment rates in the age groups which encompass graduating students. Their plight has been well documented by my colleagues. I know that if today's debate were longer, my colleagues, the Hon. Members for Kingston and the Islands (Miss MacDonald), St. John's East (Mr. McGrath), Lethbridge-Foothills (Mr. Thacker) and Peace River (Mr. Cooper), could express their interest. Other Members who have expressed to me their interest on this topic are the Hon. Members for Halifax West (Mr. Crosby), Rosedale (Mr. Crombie), Hillsborough (Mr. McMillan), Vancouver South (Mr. Fraser), York-Sunbury (Mr. Howie), Edmonton South (Mr. Roche), Calgary West (Mr. Hawkes) and St. Catharines (Mr. Reid). These Members and others whose constituencies include universities hear regularly from students. Until we see a comprehensive strategy from the Government on both post-secondary education and student assistance as well as an assurance from the provincial Governments that all post-secondary transfers and student assistance funds are maintained for those uses, we will continue to be watchful.

• (1420)

I want to conclude with the expression of this Party's overall support for the legislation. I think I have made it sufficiently clear that we have problems with some areas that we believe the Bill does not address, but in general its provisions will not be delayed by this side.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, neither shall I delay the Bill unduly today. We have an agreement to pass this necessary piece of legislation into law as quickly as possible and, as is our practice in this Party, we will attempt to co-operate on matters such as this.

I want to make it clear that I speak not only for Members of the New Democratic Party caucus who are eager to see the legislation passed, inadequate though we may feel it is, but I also speak for the Hon. Member for Sarnia-Lambton (Mr. Cullen) who urged that I make his support for the legislation known to the House. I do not know why he asked me; he does not often ask for that but I assume there must be a political gain it it somewhere.

Mr. Speaker, the Hon. Member points out to me quietly, behind his hand, that it is a confliict of interest as his daughter has made application. I will have to take that into account.

This Party is not opposed to the legislation. We recognize that young people in Canada have been suffering a serious economic setback and are in need of whatever kind of help they can get, even if it is only superficial. We believe that the Bill deals only superficially with the problems of financing education at the post-secondary level. The Bill embodies what most of the legislation has been about for the past year or two, and that is an effort to give the appearance that something is being done rather than actually doing something. What little is being offered to Canadian students will not be received by many of them in time for the fall enrolment if we do not deal with the Bill expeditiously. To get it through today is an important step in order to make sure that young people who are continuing or are beginning their education at the post-secondary level are made aware as quickly as possible of the content of the legislation and the availability of assistance.

The Bill increases Government spending at the federal level in the order of $60 million over the next two years. It amends the Canada Student Loans Act in three ways. First, it increases the weekly loan limit from $56.25 which, if it were not so pitiful, would almost be laughable, to the grand sum of $100, which I suppose is intended to take the increased cost of living into account.

Second, it provides an increased relief program for unemployed graduates of an additional 18 months, bringing the total relief plan up to two years; and after six months it is renewable every three months.

Third, and perhaps most important, it guarantees loans to part-time students to cover tuition fees, books, learning materials, local transportation and related costs. We recognize the necessity for all of these and are prepared to support them.

I would like to refer to the press release issued by the Secretary of State (Mr. Joyal) on March 18 in which he announced the changes and noted that the Canada Student Loans Program and the associated provincial student aid programs had been recently reviewed in depth by a federal-provincial taks force which determined that the basic principles underlying these programs had overwhelming public support. I am not surprised at that, Mr. Speaker. Those of us who have been involved in politics and active with young people were well aware that the public in general was eager to make sure that those with ability gained access to post-secondary education regardless of their financial backing.

I am curious to know exactly what the basic principles are that underlie the Canada Student Loans Program. If they aim to perpetuate a post-secondary system that increases rather than decreases the social-economic gaps in Canadian society, then the CSLP is clearly meeting its goals. It is rather odd that the Minister would use a public opinion survey to determine the worth of the CLSP when the program is utilized by only 40

per cent of the student population and only 30 per cent at the time of his survey. In short, the federal-provincial task force on student assistance did little more than what I have just said. It reaffirmed that the CLSP is a large public expenditure program in which the poor tend to subsidize the rich, unfortunately. I want to deal with that later.

What we have now in the Canada Student Loans Program is a system which, in the face of rising living costs and tuition fees, has continued to extend insufficient funding to students, penalizing those who utilize the funding with an accumulated debt burden far exceeding their ability to pay in these very difficult economic times. This debt burden ultimately rests more heavily on the poor than on anyone else. I do not have to go into detail on that, Mr. Speaker. I am sure that everyone appreciates that those with limited means accumulate the same amount of debt as those with greater means. The result is that on graduation the student has accumulated approximately the same amount of debt but has a far lesser potential for repayment or for absorbing it.

The increase in the CLSP weekly loan ceiling from $56.25 to $100 barely meets the increase in inflation and without the accompaniment of some form of grant, substantially increases the burden of debt on students from $1,800 per year in 1975 to $3,200 per year in 1983-84. A student who borrowed the maximum CSL of $3,200 for four years and repaid it over a nine and a half year period, which is entirely within the law, at current interest rates would have a total debt load of something in excess of $15,000.

We are particularly concerned about this problem as it affects women, who accounted for more than 95 per cent of the increase in full-time enrolment between 1970 and 1979 and whose enrolment in post-secondary education continues to increase at a higher rate in proportion to men. While Canadian women continue to earn only half as much as Canadian men in most, if not all, occupations, they are obviously the least able to bear the burden of debt imposed by the CLSP. Adding insult to injury, it has estimated by R. A. Holmes in a study entitled "Male-Female Earnings Differentials in Canada" that "the potential lifetime earnings of a female university graduate is about equal to that of a male high school graduate".

The fact that this slight increase in federal spending on the CSLP comes to us at the expense of federal support for the whole post-secondary system due to the imposition of six and five on the federal share of post-secondary education funding truly reflects a retrograde attitude on the part of the federal Government. Last year the system lost an estimated $1.9 billion when the federal Government eliminated the revenue guarantee in the Established Programs Financing Act, and this year losses are estimated at $102 million with the imposition of the six and five program on the federal share of post-secondary funding for 1983-84.

The Secretary of State claims that he has sought and obtained the assurances of the Provinces that this increase in spending on the CSLP will not result in provincial cutbacks. However, I want to draw to the Minister's attention that, notwithstanding his own pronouncement, we are aware that in the Province of British Columbia there has already been imposed new restrictions in the criteria for obtaining student loans. The Government of that Province has increased the course load requirement for full-time students from 60 per cent, as it exists now across the country, to 80 per cent. This will cut out a lot of students with families and part-time jobs who will not be able to afford to continue their education on the part-time assistance available from the federal Government. Of course, the provincial officials justify this change on the grounds that financial assistance is now available to part-time students. I will elaborate on the shortcomings of this assistance plan later on.

• (1430)

I say to the Minister that while this Government might have been happy to see Bill Bennett re-elected, whatever message he conveyed with regard to the commitment of the Province of British Columbia not to unduly interfere with the program about which we are now talking, as usual it is not living up to its commitment. I ask the Minister to review that with the Government of British Columbia because, frankly, I feel that it is typical of the way that Government has acted toward young people over the course of the last few years.

In an effort to make it more difficult all around for students to obtain financial assistance, the B.C. Government has also tightened up restrictions for independent students. A married student is presently classified as independent if he or she is (a) married or in a long-term common-law relationship, or (b) in the work force for two consecutive 12-month periods, or (c) four years out of secondary school, or (d) without a parent or guardian. The new criteria in British Columbia will disqualify any independent student if he or she receives from parents $600 in cash or kind either during the school year or in the four months prior to the beginning of the school term, or has driven a motor vehicle which is registered, owned or maintained by the parents during the same period, or has lived more than six weeks in a home owned or rented by parents.

I say to the Minister that this surely is a departure from what I know he would have wanted to see occur.It certainly does not meet the kinds of standards which we would like to see set. It is clearly an attempt by the Government of British Columbia to undermine the system. I would urge upon the Minister that he not except this kind of action by that Government, and that he make arrangements to meet with them forthwith and bring to their attention that this is a direct violation of what we in the House of Commons believe is an appropriate way to act.

The real issue here however, is not so much provincial cutbacks, but the role of the federal Government in fostering national goals in education by providing the Provinces with incentives to increase their support. Indeed, the lofty goals outlined two years ago by the then Secretary of State expressing the federal Government's "strong interest in the general health of the post-secondary system and in wide and equitable

access to that system", seem to have all but disappeared. When will the federal Government begin to take some responsibility for grant assistance to students? The Provinces have been forced to introduce grants and other forms of non-repayable assistance to help students meet their financial needs and reduce their debt load. As a result, the federal share of student aid expenditures dropped from 50 per cent in 1965-66 to 26 per cent in 1980-81.

The Minister also must surely review his own statements, having promised students again this year that he would be introducing a bursary program. Of course, to this point in time neither the students nor Hon. Members of the House of Commons have seen this bursary program. I would like to urge upon the Minister on behalf of my colleagues, and I suspect on behalf of other Hon. Members, that he proceed with that bursary program as quickly as possible. It is absolutely essential.

I would like to turn to another aspect of what is before us, the interest relief plan. Federal student assistance has done more to benefit private lending institutions and collection agencies through interest and default payments and collection charges than it has helped the needy student. Over $7 million has been paid to collection agencies over the years 1980 to 1982. That is the amount of a 25 per cent collection charge on some $36 million collected. Defaults have steadily risen in the last two years, from 11,000 in 1980-81 to 13,000 in 1981-82, and a startling 15,000 just in the first three months of 1982-83. I believe the Government understands why. It is a natural consequence of the economic conditions in the country.

Going back to 1980, one could readily see that the economic conditions in the country were not fostering better occupations. The people were not provided with the necessary financial backing which they would need and so one could not expect other than that the numbers of defaults would rise. That does not mean that the students are not prepared to repay, I hasten to add. It does not mean that they do not intend to repay. I am sure the Minister would agree with me that by far the vast majority, when asked, have every intention of repaying. It is just simply that they cannot repay when their income has not yet reached the point of meeting their basic needs, let alone paying back their obligations to the Government.

The 18 months interest relief plan is a welcome recognition of this problem but is not the solution. We in this Party have proposed that the interest-free grace period be extended until the student has achieved a satisfactory job. How one defines that may be a subject for discussion. Nevertheless, I do not believe it is beyond the wit of man to find a way to define it.

We have also proposed that lending rates for student loans not be based on the bond rate, but perhaps established on the basis of a weighted average of the loan rate in effect every year that the student takes out a loan, or some other measure similar to that which would offer students some relief from the erratic fluctuation of interest rates.

Our Party would also like to see the interest relief plan extended to part-time students as well. Part-time enrolment in Canadian universities has increased dramatically in the post-war era and continues to rise. You would know, Mr. Speaker, that in 1979 there were more than a quarter of a million registered students in credit courses, representing over one-third of all students attending university. The growth rate for part-time students in the undergraduate programs between 1972 and 1981 is reported by Statistics Canada as 61 per cent. This compares with a growth over the same period for full-time undergraduates of 25 per cent. From 1970-71 to 1980-81, the part-time undergraduate student enrolment at Canadian universities grew from 52 per cent of the full-time total to 64 per cent. I believe the Minister can see the trend, as anyone else can see it. Part-time graduate and undergraduate women over the age of 25 increased by a startling 250 per cent in the period 1970-79. Just as women are attempting, through education, to break out of the low wage job ghettos which entrap them, institutions are forced by Government action to withdraw the very programs they need.

The manner in which the Government is offering assistance to part-time students is really a token recognition, however long overdue, of the increasing demand and importance of part-time study in this changing industrial climate. One wonders what benefit this assistance will be to part-time students when preferred programs of study are not available because of Government cutbacks to the system in general. In reality, the Government is merely putting up collateral for a loan to the part-time student, whose only difficulty is a temporary cash flow problem.

Holding this false perception of the part-time student, it is no wonder that the Government has failed to include part-time students in its interest relief program. Instead, the Government is requiring repayment of part-time loans in this Bill no more than two years after the loan is made, beginning payment one month after the loan is received, with interest accruing immediately and creating a more stringent means test than that in place for full-time students, such that the ability to repay seems a greater factor in determining loan eligibility than financial need.

• (1440)

Many part-time students are just that because of the increasingly prohibitive cost of obtaining a full-time university education. The costs incurred by a part-time student are the same per course as full-time students. A number of studies have demonstrated that part-time students tend to come from families whose parental income and educational attainment are lower than full-time students. They are part-time because they cannot afford to be full-time and cannot afford to draw on family resources to enable them to be full-time. Therefore, they should be treated in a different way than they are being treated in this legislation.

I go back to British Columbia because it is a good case in point. It costs seven times as much per instructional hour to take vocational courses part-time as it does full-time in that Province. Fees for evening courses exceed similar fees for daytime courses, measured by the instructional hour. Rural areas are poorly serviced. Use of family income criteria for a loan deters the participation of married women and works to

maintain their dependency on the family situation. Financial aid for part-time college and university students remains extremely limited in spite of the Bill.

A 1982 Gallup survey commissioned by the Canadian Association of Adult Education, and the *Institut Canadien d'Éducation des Adultes*, using a random sample of 2,000 Canadians 18 years of age and over, determined that the greatest beneficiaries of part-time education are those who generally come from middle to high income backgrounds and have already achieved the university level of education. Those who need part-time education the most are three times less likely to enrol because of financial and social restraints of the current system which favours the rich at the expense of the poor. I think there are times when people do not believe that any more. But the facts are that with changing economic conditions there is no question in the minds of those who have looked at it that the education system once again—if it ever changed and there is some question about that—has begun to favour the entrance of the rich to post-secondary education over those who are somewhat less well endowed financially. You can see it in the education system inasmuch as universities are struggling for dollars and are very eager to have those with higher incomes involved. Those with lower incomes do not have the support base necessary to carry the additional financial burden.

The CAAE survey shows that 17 per cent of the adult population in 1982 has left initial schooling at the elementary level, and a further 47 per cent left at the secondary level. The same report argues that in view of the rising levels of educational capacity required to function in a technological society, much of this population may end up functionally illiterate. They say the persistence of this phenomenon is dangerous both for the productivity of the Canadian economy—because it so seriously hampers the adaptability of the labour force in an age of skill obsolescence—and for democracy because of the connection between functional literacy and skills of participation and citizenship. That is something I know the Minister himself is vitally interested in.

In conclusion, Mr. Speaker, we in the NDP—

Mr. Smith: Hurray!

Mr. Deans: Well, I could go on if you like. I realize that you are always eager to have me speak and I would be delighted to continue.

Mr. Cosgrove: A very good speech.

Mr. Deans: Thank you, I appreciate that. I am sure you would recognize one, not hearing many from your own side.

We in the NDP support any federal Government move in the direction of assistance to Canadian youth and students generally, but we do wish the Government would take its responsibility somewhat more seriously, especially when youth unemployment is so high, causing unforeseen increases in enrolment over the last year of about 8 per cent. At a time when we are facing such major industrial change, only a strong post-secondary education system will equip us for this change.

The country is facing a crisis which is reflected in education and also in economic conditions. The future of the country depends on our having a well educated population, educated to the maximum of its ability, given every opportunity and encouragement to enlarge upon the capacity of each individual to absorb learning and to apply it. The future of the country socially depends to a great extent on the ability of people to learn through the education system and other systems about how to socialize, to adapt to and accommodate others in the way in which they go about their lives. The country, even from the point of view of its diversity, given that it has a number of regions, each one quite different from the other, can only benefit from an educational system which will allow for the teaching of the differences which make us one rather than divide us. The future of the country rests on whether or not we are prepared to place the kind of emphasis on education at every level which will enable each Canadian to acquire the necessary learning skills so they can adapt to the changes, technological and social, which are taking place.

I urge the Government once and for all to commit itself to developing a national policy on post-secondary education, a strategy based on the principles of equal opportunity and equal access. We are one of the few industrialized countries in the world which has not yet faced that particular challenge. Time is passing us by.

[*Translation*]

Motion agreed to, Bill read the second time and, with the unanimous consent of the House, referred to a Committee of the Whole, Mr. Blaker in the chair.

[*English*]

Clauses 1 to 5 inclusive agreed to.

On Clause 6—*Special Interest-Free Periods*

Mr. Taylor: Mr. Chairman, there is one question I would like to ask the Minister. I notice there is no set amount for students; it is going to depend on the division of the total by the number of students throughout the country. There is one point I am a little bit in fear of, although it is perhaps already covered. In some of these programs there is no particular limit and the money gets used up. Then those who apply near the end are told the money is all gone. I hope that will not happen in this student program.

Mr. Joyal: Mr. Chairman, I can reassure the Hon. Member because the amount of money provided to us by the House could be readjusted through supplementary estimates. If it does happen that there is an increase in the enrolment in universities to a point that the amount of money provided by the Minister of Finance is not sufficient, then we could come back to supplementary estimates. So I can reassure the Hon. Member to that end.

Mr. Taylor: Mr. Chairman, there is just one other point. I suppose this is counterbalanced because a student does not get

the maximum amount. Some are more needy than others. There is provision made for that, is there?

Mr. Joyal: That is exactly so. One point I want to add is that the Canada Student Loans Program is complemented with, of course, provincial programs. I have the list here of statistics and it shows there is a great variety and diversity among, for instance, the provincial loans afforded to students by each provincial Government, or the provincial grants system administered by each provincial Government. In fact, we are dealing with a complement to the provincial system which already exists and works well in the country. Therefore, what the Hon. Member has said is exactly right, because each provincial Government administers some criteria.

• (1450)

Of course, we urge the provincial Government, as was stated by the Hon. Member for Hamilton Mountain, to have the widest opening of criteria to ensure that we in fact work on the broadest approach to student help, student grants and student loans. He is right in stating that those loans and grants are measured according to the needs of the students. There are a set of criteria which are devised by Provinces to ensure that there are some kind of national standards which can be respected in each Province to ensure mobility. One of the key or essential elements of the system is mobility, especially when one addresses post-graduate studies. A student might want to involve himself or herself in the type of curricula which is not immediately available in his or her region and must travel to another Province. Therefore, we must consider some kind of standardization of those criteria to ensure that we afford the necessary help to students.

Clause 6 agreed to.

Clauses 7 to 12 inclusive agreed to.

Title agreed to.

Bill reported.

[*Translation*]

Mr. Joyal moved that the Bill be concurred in.

Motion agreed to.

The Acting Speaker (Mr. Blaker): When shall the Bill be read the third time? With the consent of the House, now?

Some Hon. Members: Agreed.

Mr. Joyal moved that the Bill be read the third time and do pass.

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

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

[*English*]

Mr. Joyal: I rise on a point of order, Mr. Speaker. I know it is a general interpretation as to what is a point of order in our procedure, but I would certainly like to thank my collegues on all sides of the House for the passage of the legislation to ensure that, by September 1, it could be implemented for all students in Canada.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): The Chair has had to deal with many points of order which have had less merit than that. I think it is the wish of the House to proceed now with Bill C-148.

* * *

FARM IMPROVEMENT LOANS ACT (NO. 2)

MEASURE TO AMEND

Hon. E. F. Whelan (Minister of Agriculture) moved that Bill C-148, an Act to Amend the Farm Improvement Loans Act (No. 2), be read the second time and referred to the Standing Committee on Agriculture.

Mr. Smith: I rise on a point of order, Mr. Speaker. I believe there would be unanimous consent to refer the Bill to Committee of the Whole so that it could be dealt with in all stages today.

The Acting Speaker (Mr. Blaker): The House has heard the remark of the Parliamentary Secretary. Is there unanimous consent to moving immediately to Committee of the Whole?

Some Hon. Members: Agreed.

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

The Deputy Chairman: Order. House in Committee of the Whole on Bill C-148, an Act to amend the Farm Improvement Loans Act (No. 2).

Clause 1 agreed to.

Title agreed to.

Bill reported.

Hon. E. F. Whelan (Minister of Agriculture) moved that the Bill be read the third time and do pass.

He said: Mr. Speaker, I will not delay the proceedings of the House very long with respect to the Bill. It is an important Bill. It is one which we have adopted several times, changing its provisions, adding to it, making it more workable for the agriculture industry of Canada. Thousands of farmers benefited last year from many of our different programs for financial assistance. It is said that we do not care. However, these include Small Business and Small Business Development Bond programs and the Farm Credit Corporation's special farm financial assistance programs. On top of those, of course,

thousands of farmers also took advantage of the Farm Credit Corporation's regular lending program, the interest-free advanced payments for crops program, the prairie grain advance payments program and the farm improvement loans program that we are passing here today.

This organization was started in 1945 and more than 1,800,000 loans, totalling over $4.7 billion, have been guaranteed to Canadian farmers under the Farm Improvement Loans Act. Last year $208 million in new loans were guaranteed under the program. It was a 10 per cent increase over 1981. The figures speak for themselves. The farm improvement loans program is obviously very popular with Canadian farmers. Unfortunately, it is due to expire, if we do not pass the legislation, at the end of this month.

I wish to thank the Members of the House of Commons for what we are doing here today with this important piece of legislation. At the time the program was started, chartered banks were virtually ignoring the farm credit market. This is why the farm improvement loans program was started. In order to gear up for the post-war agricultural boom which was expected, farmers had to make significant capital investments in their farms. That called for financing. That is why the federal Government passed the Farm Improvement Loans Act for an initial period of three years. For several years after the program was introduced, nearly all the intermediate-term credit extended to farmers by banks was guaranteed under the Farm Improvement Loans Act.

Over the years, the provisions of the Act have been amended to reflect the changing conditions affecting agriculture. As a matter of fact, the Act has been amended 18 times, extending this program for 12 additional years. It clearly indicates how popular the program has been with three generations of farmers and the various Governments of the day.

Initially, in 1945, the federal Government guaranteed loans up to a maximum of $3,000 under the Act. The last time we amended it, it was changed from $75,000 per farm to $100,000 per farm. Loans can be obtained from chartered banks, credit unions, caisses populaires, trust companies or Alberta treasury branches. The Act stipulates that the repayment must be made within 10 years, except for loans to purchase land, which must be repaid within 15 years.

Currently, the Act stipulates that interest rates float at lending institutions' prime rate plus 1 per cent. Farm improvement loans must be secured and borrowers are required to provide a certain portion of the cost of a purchase or a project from their own resources.

A brief review of the 1982 farm improvement loans program shows that the federal Government guaranteed 15,584 loans at an average of $13,385, for a total of $208.6 million. Almost 69 per cent of this money was lent for the purchase of farm equipment while 11 per cent was lent for construction, repairs or changes to farm houses and buildings. The remainder of the money was lent for land and livestock purchases, other farm improvements and machinery repairs.

• (1500)

As you might expect, there was a slight increase in losses under the program in recent years, but the losses are still relatively small. For instance, in 1982, claims totalling just over $1 million were paid out. Yet the total loans outstanding amounted to over $500 million.

Farmers are generally a very good credit risk. This is clearly indicated by the record of the Farm Improvement Loans Program. Since 1945, more than 1.8 million loans totalling over $4.7 billion have been guaranteed under the program. But during the same period only 6,500 claims totalling $9.8 million were not paid and $2.3 million of this money was later recovered.

Farmers, by nature, pay their bills off quickly and keep their debts as small as possible. According to a nation-wide survey conducted by the Farm Credit Corporation in January, 1981, the average Canadian farmer had debts equal to only 15 per cent of the total value of his or her farm assets.

The farm credit market has changed considerably since the post-war years. It has grown by leaps and bounds, and lenders have responded. But without the Farm Improvement Loans Act a great many farmers would still have difficulty borrowing the money they need to make the necessary changes and improvements in their farming operations.

The program is still extremely important and probably more important in one region of Canada than any other, that is, in western Canada. An abrupt end to the program would cause serious repercussions in some locations, especially those rural areas that are served by only one financial institution.

The severe financial problems faced by some farmers today make it advisable to continue this program so they can obtain the credit they need. We will continue it. I might say that if I am here in two years' time this program will be completely reviewed in the next two years, and if changes are necessary at that time I am sure the House of Commons would be glad to make them. I will simply say that this is a good Bill and I thank the House for its co-operation.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I rise to make a few brief remarks and indicate the support of our Party for this Bill which extends the term of the Farm Improvement Loans Act.

I would point out that over the years we have always supported this particular Bill and the amendments that have been brought forward from time to time. As a matter of fact, we in the Official Opposition support any good legislation that tends to assist the farming population. We always agree to put good Bills through in short order, as we are doing this afternoon.

Only when a Bill is detrimental to the farm population, Bills such as Canagrex or the Crow rate, do we dig in our heels and attempt to do our best to improve the legislation and make it acceptable to the farming population. I believe the Minister would agree with me in that regard.

There is one problem, not with respect to the Bill itself but to its utilization. I wish to bring to the attention of the Minister that I do not believe that this Bill has received the necessary publicity. I am aware that banks are reluctant for some reason to encourage a farmer to make use of the FIL Program. I am told that it is like pulling teeth to persuade them to allow a farmer to use the program. I have talked to many of my colleagues who represent agricultural areas who have said that their constituents have encountered the same problems.

I recall several years ago when the Hon. John Turner was Minister of Finance that this matter was brought to his attention by many on this side of the House and he undertook to speak to the banking association. I believe that as a result of his representations the banks did in fact tell the farmers that this program was available. However, I believe that an educational program still must take place.

I hope that the Minister of Agriculture (Mr. Whelan) will take some steps to let the farming population know that this Bill is in existence and is available to them so they may borrow money at lower rates than ones at which they would ordinarily pay to the bank. It is my understanding that interest rates under the FIL Program are one per cent above prime, which is probably somewhat lower than what the Farm Credit Corporation is charging for its loans at the present time.

In closing, I would simply say to the Minister that there is a need to help the farming population. Many farmers are in serious financial difficulties at the present time. Interest rates have been high, input costs have been high and the price of their product has been relatively low.

I am aware that the Farm Credit Corporation has done an excellent job in rearranging loans and refinancing farmers who have been in serious financial difficulties. But the interest rate is still high when one borrows from the Farm Credit Corporation.

I was interested to hear the Minister's response, I believe yesterday, to a Member when he said that the Farm Credit Corporation was now out of money and he was asking Cabinet to allow the Farm Credit Corporation to go offshore presumably to borrow money. He took similar action a short while ago when I believe the FCC borrowed $50 million offshore from Belgium at a rate of approximately 12 per cent.

I would like to list again some of the programs that we on this side of the House have proposed to the Minister and the Farm Credit Corporation over the years in order to make money available at low interest rates to the Farm Credit Corporation to lend to the farmers. I refer specifically to the agri-bond program which we have pushed for many years, as well as the program whereby the capital gains portion of the selling price of a farm might be lent at low interest rates—6 per cent or 7 per cent—to the Farm Credit Corporation and then relent to the young farmer at possibly 8 per cent or 9 per cent. That would be a substantial saving.

I hope the Minister will use his good offices and power in Cabinet to persuade Cabinet and the Minister of Finance (Mr. Lalonde) to adopt the agri-bond program and some other programs that we have been suggesting to him over the years.

If the Minister is seriously interested in agriculture, as I am sure he is, and seriously interested in the farming population, he will do his utmost to see that these programs are implemented. It makes no difference whether these programs have been suggested by the Opposition or by anyone else. If they are good, I think it is the Minister's responsibility to do his best to see that the programs are brought in in the best interest of the agricultural community.

In closing, I would simply say that we in the Official Opposition heartily endorse and support this Bill. I am pleased that we are able to give three readings to it this afternoon.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I only have a few things to say about this Bill. This Bill represents a very minor change and is a simple housekeeping order to make the Farm Improvement Loans Act available to farmers for another two years.

• (1510)

I would like to point out that there are a couple of things I would like to see changed in the Farm Loans Improvement Act which are beyond the power of an Opposition Member to move, so I simply raise them in the debate today and the Minister can keep them in mind for possible amendments in the near future. Any Minister in 1985 could incorporate them in the amendments that are required to continue the Farm Loans Improvement Act another two or three years at that time. Basically they have to do with the over-all limits to the loans. At the moment the Minister knows that the limit is $100,000 per customer. In the case of most other Acts where we have limits per customer, the Government and the Department of Agriculture have recognized legal partnerships and co-op farms. But that is not the case with the Farm Improvement Loans Act. The limit is $100,000 regardless of a legal partnership or a co-op farm. A co-op farm may have anywhere up to a dozen members, and it may have a great need of a broad range of capital. However, the Farm Improvement Loans Act will allow them to borrow only up to $100,000, the same as an individual operator. I think that is something the Minister should keep in mind. Perhaps he could draw it to the attention of his officials so that when he or a future Minister brings the Farm Improvement Loans Act before the House another time the needs of co-op farmers could be dealt with as well.

We note the good experience with the Farm Improvement Loans Act since its inception in 1945 or 1946. It provided loans to farmers which assisted in the recovery of the economy after the Second World War. It put the machinery manufacturing sector on its feet, because it was basically farm improvement loans that went to farm machinery, and the two programs, development of the farm machinery industry and the provisions of credit, work very well together. In fact, until 1965, 100 per cent of the intermediate term loans which farmers took out were under the Farm Improvement Loans Act. Until that time the rate was fixed at 5 per cent. After

1965, there were some changes to the Bank Act which permitted the banks to get back into the mortgage field, an area they had not been in for a long time. With the experience the banks had gained from administering the Farm Improvements Loans Act, they very quickly moved into the farm credit field to the point where, rather than 100 per cent of the intermediate term agricultural loans being carried by the Farm Improvement Loans program, we had less than 20 per cent of such loans being carried under the Farm Improvement Loans program in 1980.

We can see the private banking system has moved into that particular field of credit in a fairly big way, thanks to the experience they got under the Farm Improvement Loans Act between 1946 and 1965.

The use of FIL funds for debt consolidation or for short-term loans to handle production credits is not allowed under the Farm Improvement Loans Act. That is an area not fully recognized by lending institutions operated by the Government of Canada. The Farm Credit Corporation does permit debt consolidation. At a time like the present, farmers are under considerable financial strain and are requiring debt consolidation measures in order to stay in business in the hope that the bear markets will turn up so farming can again be profitable. We note that the Farm Credit Corporation has been getting more and more into debt consolidation as a part of its business. In 1980, roughly 16 per cent of the business that the Farm Credit Corporation generated was for farm debt consolidation. The next year, 1981, that figure was up to 35 per cent. We know that in 1983 the call for funds to consolidate debts through the Farm Credit Corporation is so large that the Farm Credit Corporation has already run out of funds in just a few weeks. There is a great need for that kind of funding. I am not sure whether FIL loans are the place to do it, but certainly if farmers have chosen the Farm Credit Corporation as a place to go and the service is there, more funds should be made available so that more of those loans could be provided to farmers in an effort to stave off bankruptcy for a few more years to spread their debt repayments in order to survive this particular heavy downturn in the market for their products.

We support this amendment to renew the Farm Improvement Loans Act and we hope it goes through very quickly now.

The Acting Speaker (Mr. Blaker): Does the House agree to the motion?

Some Hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

* * *

FISHERIES IMPROVEMENT LOANS ACT (NO. 2)

MEASURE TO AMEND

Hon. E. F. Whelan (for Mr. De Bané) moved that Bill C-147, an Act to amend the Fisheries Improvement Loans Act, be read the second time and, by unanimous consent, referred to Committee of the Whole.

The Acting Speaker (Mr. Blaker): Some indication has been given to the Chair that there may be some discussion on third reading. Of course, I recognize now, at second reading stage, the Hon. Member for Comox-Powell River (Mr. Skelly), if he so wishes. Shall we wait for third reading for comments by Hon. Members?

Some Hon. Members: Agreed.

Motion agreed to, bill read the second time and the House went into Committee thereon, Mr. Blaker in the chair.

Clauses 1 to 4 inclusive agreed to.

Title agreed to.

The Deputy Chairman: Shall I report the Bill?

Some Hon. Members: Agreed.

Bill reported.

Mr. Whelan (for Mr. De Bané) moved that the Bill be concurred in.

Motion agreed to.

The Acting Speaker (Mr. Blaker): When shall the Bill read a third time? By unanimous consent now?

Some Hon. Members: Agreed.

Hon. E. F. Whelan (for Mr. De Bané) moved that the Bill be read the third time and do pass.

He said: Mr. Speaker, it is my pleasure to introduce this Bill on behalf of the Minister of Fisheries and Oceans (Mr. De Bané). It being third reading I want to say only a few words. This legislation is to extend and simultaneously amend the Fisheries Improvement Loans Act.

In general terms, the Fisheries Improvement Loans Act is intended to facilitate the availability of credit to fishermen for a variety of fisheries improvement projects. In order to encourage private financial institutions to make such loans to fishermen, the Act authorizes the federal Government to guarantee lenders against loss incurred on loans made in accordance with its provisions.

The legislation specifies the amount that can be outstanding to an an individual borrower at any one time, and the maximum repayment term of each loan. It also specifies the lending period and the aggregate principal amount of guaranteed loans that my be made by all lenders in that period.

This Act was originally administered by the Department of Finance and was transferred to the Department of Fisheries and Oceans in June, 1978. The existing legislation does not go beyond June 30, 1983, and in the interests of the many fishermen who depend on this Act for credit, I sincerely thank the House for its speedy passage. This is highly desirable action.

● (1520)

Here is what the amendments will do. They will extend the Act for a two-year period from July 1, 1983 to June 30, 1985,

and set the aggregate principal amount of loans made during that two-year period, in respect of which the Minister would be liable for losses, at $100 million for all designated lenders under the Act.

Some people may wonder why I am speaking on fisheries. I was Parliamentary Secretary for the Minister of Fisheries for two years and I understand fisheries. It is really a crop harvested from the sea. I come from an area which has the largest freshwater fishing industry in the Commonwealth in Lake Erie. By the way, those fish are free from any impurities. People may think they have impurities, but they are perfectly safe to eat by anybody anyplace in the world. I am very familiar with the fishing industry.

I would like to think that all Hon. Members of the House of Commons take a special interest in the fisheries because it is an important industry. They should be aware that the general question of financial assistance to fishermen was raised in the two major studies recently completed on Canada's commercial fisheries. Of course I am referring to the Atlantic fisheries task force report prepared under Michael Kirby and Professor Pearse's Pacific fisheries study. Without getting into the pros and cons of the recommendations in these two reports on the particular issue, it is entirely possible that at some point in the future, with the concurrence of the industry, we can come up with an improved financial assistance program for fishermen tailored to the prevailing economic situation. However, any such new scheme will need much careful planning and consultation and could take a number of years to implement. In the meantime we feel it is in the best interest of fishermen and the industry as a whole to continue with the present Fisheries Improvement Loans Act for at least another two years.

A further amendment to the Act which is being sought will make it mandatory for lenders to comply with the provisions of the regulations. By way of explanation, perhaps I should point out that the existing Act empowers the Governor in Council to make regulations concerning the administration of the program, but there is no provision in the legislation which makes it an offence to contravene the regulations. Under the proposed amendment, failure by lenders to comply with the regulations would void the Minister's liability under the Act. In effect, the amendment will firm up the program administration and require lenders to register with the Department of Fisheries and Oceans all loans made under the provisions of the Act within three months of the granting of such loans.

Loans made by chartered banks and other designated lenders under the Fisheries Improvement Loans Act have risen significantly over past years. I might point out that from the inception of the plan in 1955 to March 31, 1982, some 14,759 loans have been made, amounting in total to approximately $184 million. The average size of the loan has increased from just over $1,000 in 1955 to $18,000 at the present time.

I am sure it will be recognized that the guaranteed loans program provides a solid credit base for fishermen through recognized credit institutions across the country. In the absence of this program, it is very likely that a large number of small independent fishermen would attempt to get financial assistance from large operators, which would jeopardize their status as independent fishermen. The need to increase the independence of fishermen, rather than the reverse, was a constant preoccuption of the former Minister of Fisheries and Oceans, and it is an objective with which the present Minister is wholeheartedly in agreement.

In these times it is not easy for fishermen to maintain an independent status, particularly when it comes to paying out thousands of dollars to purchase a new boat or modify an existing one to keep up with technological advances. If fishermen cannot raise the necessary funds on their own and get locked into the position of having their boats mortgaged to a processing company, they are in a very poor position to bargain over prices for the fish they have to sell.

The Fisheries Improvement Loans Program is one avenue the fisherman can take when looking for financing to enable him to maintain his independence. It is also increasingly popular with fishermen, particularly on the West Coast where there is no provincial loan board. I might add that fishermen have proved themselves to be a good credit risk. The loss ratio of this program since its inception has been less than 1 per cent.

In conclusion, I would like to emphasize that this is a very worth-while program for which there is a great deal of support. The Provinces are familiar with it and have indicated their approval for its continued existence. I am sure Hon. Members will recognize its importance to the fishermen of the country. They have displayed this by their endorsement of the Bill, and I thank them on behalf of the Minister of Fisheries and Oceans (Mr. De Bané).

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I will be very brief as well. I have two or three comments to make with respect to the program. It is the type of program which must be put in place. Any good government would put it in place as part of the social and structural needs of that section of Canadian society. One difficulty we continue to have with the program arises out of the fact that of all Government programs this one has had no publicity whatsoever. When a fisherman goes into a bank, the bank lends him money at prime plus four, when in fact it should be prime plus one. The bank does not tell the fisherman that he has another access.

Mr. Whelan: Shame on the banks.

Mr. Forrestall: I hear the Minister of Agriculture (Mr. Whelan). He introduced this measure and has responsibility for guiding it through the House of Commons. I am sure the fishermen of Canada will applaud him. I do not say, "Shame on the banks"; I say, "Shame on the Government for not having publicized it". If the banks and lending institutions are at fault, even at greater fault are the Government and the Department of Fisheries and Oceans because they will not tell fishermen. Approximately 26 organized fishermen's groups in Altantic Canada were canvassed by Pete Marwick at the request of the Department of Fisheries. They were canvassed

by Al Billard of Halifax. No one knew anything about it. They did not even know it existed. Is that why 70 per cent or 75 per cent of the loans guaranteed in fact occurred on the West Coast? What about East Coast fishermen? They did not know about the program. They did not even know it existed. Why? God knows the Government spent millions and millions of dollars advertising the Crow.

Mr. Cosgrove: And you criticized us.

Mr. Whelan: You could have put it in your householder.

Mr. Forrestall: However old this program is, not a single piece of information has come across my desk other than what I dredged out this morning by looking back at Estimates to see how much money went into Atlantic Canada. The Government, as much as the lending institutions, is at fault with respect to this program.

I agreed that we should reduce the level at which loans are guaranteed. In 1983, at the rate at which we are going, less than $8 million or $9 million will require Government guarantees. To have guarantees well in excess of $100 million is not realistic. Why is the guarantee level so high and the borrowing level so low? The Government put a program in place because it was convenient for one of the Ministers at one point in time to be able to say, "We will guarantee loans to fishermen". It was convenient politically. I am glad to see a couple of the fast trackers in the House. It is very convenient.

• (1530)

The people Eastern Passage, the last fishing community in Halifax harbour, one of the great harbours of the world, have tried for eight years to get new wharf facilities. Programs that would allocate money for this purpose were never make known to them. They simply did not know about them. When the Hon. Member for South West Nova (Miss Campbell) is finished with the pot and when the other distinguished Liberal Members of Parliament are finished with the pot, there is nothing left over for the rest of the Province. We do not find this out first, second, or third. We find it out last. So, yes, I accuse the Government of deliberate deceit with respect to programs such as this. The fishermen of Atlantic Canada did not know and were not made aware and continue to be unaware of the benefits of dealing privately and being able to exercise their own judgment. Who wants to borrow from the Government if it can be done the right way from the lending institutions?

These people need help but they do not want subsidies. They do not want to borrow money and let the Government pay it off. They are independent people. They are honest, hard working, industrious Canadian citizens.

That is one concern, Mr. Speaker, that we have respect to this Bill. We will let the Bill go through, there is no question about that. As my colleague, the Hon. Member for Moose Jaw (Mr. Neil) said earlier, our concerns are for the abnormalities that come through this Chamber from time to time like the Crow and like Canagrex and all of those other nonsensical Bills. What benefit does the Crow offer eastern Canada? What happens to MFRA? What happens to CN and CAST? I wish I could have asked the Minister that question earlier today, Mr. Speaker.

Mr. Pepin: Do it on Monday.

Mr. Forrestall: I think that the figures with respect to borrowing under this Act as put on the record by the Minister clearly demonstrate that there will be no complicity about it. There will be no great big advertising campaigns directed to our 40,000 fishermen. They do not care.

The Minister of Agriculture is here. Where is the Minister of Fisheries (Mr. De Bané)? Where is Fishy himself?

Mr. Pepin: He is announcing a program in the Maritimes.

Mr. Tobin: He is working with great diligence.

Mr. Forrestall: Yes, I read the story in the *Financial Post*. He has one of the greatest pork barrels of all times, half a billion dollars to a billion dollars to restructure the East Coast. It has to be done, there is no question about that, but I would like to see what Dr. Kirby does with this before it is all finished.

I would like to make another serious comment, Mr. Speaker, with respect to this Bill. Under the legislative authority enabling the Government to guarantee the loans of fishermen, a general authority was used and cited in the Fisheries Improvement Loans Act and it was a general authority that we have had for long time. It covered students, it covered farm loans, it covered a broad spectrum of Canadian Government participation in that interface between people and their needs. But now there has been inserted into the authority a very simple word that, if interpreted closely and narrowly, can mean that Canadian fishermen may have some difficulty with respect to loans that are made and guaranteed by the Government. That word is the word "can". This amendment authorizes the Government to refuse to pay a defaulted loan if in fact any regulation has not been specifically met.

Mr. Tobin: The same as the banks.

Mr. Forrestall: Not even the banks are as cruel as the Liberal Members. They have given themselves the authority to back away from guaranteeing loans. If I were a West Coast fisherman, I would get this clearly written out in blood.

Mr. Whelan: If they get a contract, they will not have anything to worry about.

Mr. Forrestall: I notice that the Minister of Agriculture has not included that word in his own Farm Loans Board authority. That word does not appear there, does it? Admit it.

Mr. Whelan: We do a lot of—

Mr. Forrestall: Admit it. It does not appear there. At least the Minister of Agriculture has had the fortitude not to include within his own legislative authority an open door that

would allow Government to run away from an undertaking to guarantee loans.

We are in general sympathy with this amendment and are quite prepared to let the matter come to some formal conclusion. But I have two points to make. The Department of Fisheries itself saw the need to call in Peat Marwick to do a survey to find out who in the fishing industry was aware of the details of this program. Peat Marwick's report, which is not a formal report, has now been buried somewhere. That report criticizes the Government for not having publicized one of its own programs. Usually it is the other way around.

Perhaps I should commend the Government for not wasting money on an advertising program, but it should tell the people at whom the legislation is aimed and to whom benefits should flow now that the program is in place and can be utilized. It should tell them about the parameters of the program. The Government did not do that and Peat Marwick, its own consultants, said that it should. We on this side of the House look forward to some indication to Atlantic, Pacific and lake fishermen that in fact this type of a protection is available to them.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I am very pleased that I have been given an opportunity today to place some remarks on the record that concern a piece of legislation which is before us. With the permission of the Chair and the tolerance of the Members of the House, I would like to deal with some of the other factors that influence the application of the Fisheries Improvement Loans Act.

I believe that we all agree that this particular legislation is necessary and should go forward as quickly as possible, but certainly some dilemmas have been created in the past that relate to expansion of the fleet under the Fisheries Improvement Loans Act with the encouragement of the Government of Canada. I refer to the problem of overcapitalization of the fleet on the West Coast. That fleet has been built up to a point where fishermen, in order to build bigger and faster vessels to catch more fish, had been encouraged to do so by the Government of Canada. It is interesting to note that a number of Government programs have forced fishermen into bigger and faster vessels, but they are catching fewer and fewer fish. This has caused a tremendous problem for fishermen and has caused tremendous dislocations in the communities that depend upon them.

Historically, it was the Davis plan, I think, that first began to create tremendous problems for the fishing industry in British Columbia with its terrible lack of control over license limitations. Another factor was the complete failure of the Government to follow the recommended advice of its own people. The Davis plan ultimately led fishermen to attempt to enhance their vessels through borrowing. The Fisheries Improvement Loans Act was certainly one of the access mechanisms for this. The willingness on the part of banks to lend money during the heyday of the herring season and the time of high priced salmon when the Japanese were becoming involved led fishermen to borrow enormous sums of money to build larger and larger vessels. When the economic cycle began to turn downward, fishermen ultimately found themselves in an absolutely terrible position. As with so many other economic sectors, whether they be small business or farming, fishermen were implicitly encouraged by the Government to borrow money for bigger and faster vessels. The management plans were directed to encouraging them to do that. When things turned around, fishermen found themselves with enormous debts on vessels but they were not permitted to catch sufficient fish to pay them off. At that point interest rates took off and fishermen found that they could not meet them.

• (1540)

In addition, the Government of Canada imposed further costs on the fishing industry through fuel costs which rose substantially. Today an average fisherman working off the West Coast claims that if he cannot make $500 per day, he cannot meet his basic costs. When the economy turned around, the cost of fishing rose enormously but the availability and the price of fish dropped.

The role of the banks was mentioned by Members on both sides of the House today. I should like to go over some things that have happened in my area, and I am sure they have also happened in the areas represented by the two Hon. Members who spoke earlier. The banks played a very interesting role here. Due to high interest rates promoted by the Government, high energy costs promoted by the Government, and the need, because of management plans, to use overcapitalized vessels, the banks freely lent fishermen the money they needed. Then they increased the interest rates. When a fisherman could no longer meet the payments, according to many cases that are documented on my file, the bank threatened to seize the vessel. The fisherman replied that he did not make any money last year and could not even pay the interest rate on the vessel. Then the bank said that it would seize the vessel so that the fisherman could not go out and fish. The bank realized that it could not sell it because no other fisherman could pay the price. It would tell the fisherman that it was prepared to let him keep it if he would get a co-signer—his parents or friends, or family. Some fishermen were able to find a co-signer but others were not. As soon as he found a co-signer, then the bank snatched the boat. It did not matter to the bank how much money it received from it as long as it got its pound of flesh. If a fisheries improvement loan was involved, that paid off the other pound of flesh. The fisherman and the co-signer were hooked and so was the taxpayer, but the bank came out of the deal smelling like a rose. If there was not a co-signer, the bank would threaten to take the boat and deprive the fisherman of his means of making a living unless he was willing to sign his house over as security. At that particular time the price of fishing vessels and the price of houses were depressed. If the bank seized either it was not likely it would get its money back so in some cases it went after both. When the fisherman was on the hook—and some banks managed to get co-signers, the houses and the vessels—then the bank moved in. I have never seen anything so unscrupulous in my life, Mr. Speaker.

Let me give another example that happened in the community of Sointula with the Royal Bank of Canada, proud

institution that it is. A fisherman had an enormous debt on a large vessel so he fished in the wintertime to try to make enough money to make a vessel payment. He managed to put $30,000 together. He assumed the bank was dealing with him in good faith so he offered it the $30,000 The bank took the money—and then seized his vessel. That is the most disgusting think I have ever heard in my life but unfortunately, it has been repeated time and time again. The Government should introduce legislation to stop this kind of nefarious activity by the banks—these predatory actions by which the banks attempt to feed on fishermen, small-businessmen and home owners. The performance of the banks throughout this recession has been disgusting. We are at fault, Mr. Speaker; we represent the people. Nothing has been forthcoming from the Government, however.

Something that should be coupled with this legislation is that people who have loans with the banks should be entitled to refinance them automatically at the lower interest rate. Interest rates have dropped like a rock but some people are still paying 19 per cent or 20 per cent. A clear message should be sent to the banking community from the House of Commons that it will no longer tolerate the exploitive activity of the chartered banks and that they must offer some sort of legitimate corporate responsibility and citizenship. The people who own vessels are labouring under enormous burdens, trying to pay off loans at outrageous rates of interest. The House should pass a law to the effect that an individual who has a loan with extremely high interest rates should be able to refinance it immediately at a lower rate. That would be a tremendous benefit not only to fishermen but to home owners and to the small business community. Without that kind of companion to the legislation before us, the Government has no conscience.

The Government could do some things that would assist this legislation which, in isolation, is of very little use in allowing fishermen to earn an income. The Minister mentioned the Pearse Commission. If its recommendations are implemented it will mean an enormous dislocation in the fishing industry in British Columbia with people being driven out of it. The Government seems to want to place the industry in the hands of a small number of people.

In some respects the processing industry in British Columbia has been in the hands of a small number of firms such as B.C. Packers for years. That company almost operated the coast of British Columbia like a feudal system. The House had the opportunity, under the Combines Act, to provide some remedy and give assistance to small firms and native communities to get into the processing industry. There was never enough money, never quite enough interest in the job to do it properly. The Pearse Commission seems to feel that there should be even more concentration in that industry with a small number of large processors and a small number of fishermen. Ultimately I think the key to preventing dislocation along the coast of British Columbia is to enhance and improve the operations of small processors and increase the number of people in the industry so that there is somewhere that fishermen can sell their product for the highest price. There should be opportunities for people to get into speciality areas such as smoking fish, pickling fish or handling speciality products. A way must be found to glean the maximum dollar value from the industry and channel it into the communities that depend on fishing. That is basic. The legislation runs contrary to the Pearse Commission report. What is the point of a fisheries improvement loan if the report recommends driving fishermen and processors out of the industry?

There is another aspect to this and that is what I call the support side of the industry. On the coast of British Columbia there are problems related to the provision of sufficient ice. Fishermen cannot operate without ice, yet the ice facilities are controlled by a small number of large companies which only provide ice to their own vessels or vessels that fish for them. There is limited access to ice. Bella Coola is short of ice, although that problem is largely due to a fire, but other communities suffer the same problems with access to ice, and that is going to impair their activities. Independent fishermen do not have access. Up and down the coast of British Columbia small craft harbours development is in absolute chaos. What we wind up with is announcements, "We are going to do this harbour, that harbour, and the next harbour". That usually comes in the form of a Senator making a pronouncement in a community. I would have suspected that this ad hoc process would be done in order to win votes. Ultimately, however, in every case which I know of, votes have been lost because such conflict and dissension have been created over the harbour development that people are just outraged.

• (1550)

We must have a five-year plan which is public. I have asked for this since I have been a Member. The people I represent in my riding have asked for it. I know in other ridings along the coast the people have asked for it. The needs of every harbour up and down the coast of British Columbia where harbour planning has been done, whether it be Lund, Powell River, Campbell River, Alert Bay, Bella Coola, Bella Bella, wherever it happens to be, must appear on a list, or in a development plan, in order that these communities know where they stand on the priority list. It then becomes a public process where people can understand where they are on the list in relation to other communities. They can then begin to do reasonable planning in their own communities to respond to that list and those priorities. The way the Liberal Government has handled small craft harbour development is absolutely incredible. It is hard to understand why it would continue a process which does most of those communities no good and in fact loses any confidence which those communities had in Government.

Another problem is the way in which small craft harbours are serviced. Those harbours need security. Providing services of wharfagers must be looked at seriously so that people cannot start fires and break into vessels when owners are paying harbour fees. There must be water, electricity and service facilities available. In some communities there is a desperate need to expand small craft harbour areas and

provide float plane access. That is an absolute must. That is a glaring omission by this Government.

In my riding alone, Mr. Speaker, there are between 6,000 and 8,000 native people. Their sole income depends upon access to the fishing industry. The people from Bella Coola have called to the attention of the Department of Fisheries that its fishery management plans are under serious question. I would like to comment how in one particular case this is causing an enormous problem. In Rivers Inlet the Department of Fisheries advocated an escapement of 800,000 sockeye salmon. However, in the same Rivers Inlet, the Owikeno Lake area, it is allowing the logging companies to go out and strip the river valleys and the spawning areas and refuse to attempt an integrated resource management study. And it is not just Rivers Inlet, it is the Kimsquit and the Nimpkish system. In system after system they are failing to provide integrated resource management studies and plans and at the same time saying, "Well, we need to keep the stocks up and therefore we are going to have to increase the escapement". Therefore, we are in a cycle of destruction here. We are destroying the habitat in which spawning occurs. We cannot produce enough spawners to go into those areas and recover when the flooding begins to wash out the spawn and destroy the run, no matter how many sockeye salmon go in there. Ultimately, communities are destroyed all up and down the coast. Native people need access to that fishing resource. They need access to the management plan and a fair catch.

That improvement loan should be provided to native communities not only for vessels to catch the fish. Communities should be encouraged to become involved in processing so they can balance the economy and give some strength and depth to their economic base. Ultimately, the Department of Fisheries and Oceans on the West Coast of British Columbia—and I hope the Parliamentary Secretary would be in a position to press this point home, along with the Minister of Agriculture (Mr. Whelan)—must get involved in an affirmative action program whereby native people would be hired by the Department eventually to go back into their communities with some expertise and create some understanding and dialogue between those communities and the Department. It is imperative that that Department, which has a very large representation of native people in the industry, begin an affirmative action plan which puts native people to work in the Department.

The Fisheries Improvement Loans Act should also be targeted to the shellfish industry. There are very few areas on the coast of British Columbia in which shellfish can be effectively developed. Okeover Inlet, Jervis Inlet, and places like that, are excellent areas. The Department of Fisheries and Oceans must allocate staff resources to move quickly to get development going in the shellfish industry in that area. The enormous red tape must be cut. Expertise and assistance must be provided, as well as financial assistance, so we can at least protect those areas. If we do not move very soon, Mr. Speaker, those areas will be subject to other competitive uses, such as mining, as in the case of Okeover Inlet, or recreational land use, and those areas will be ultimately polluted as is Boundary Bay and Ladysmith Harbour. Some of the finest shellfish areas on the coast of British Columbia have been lost because of pollution. Unless the Department of Fisheries and Oceans moves quickly, the ones which are left will be lost also.

With respect to the Unemployment Insurance Act, what point is there in lending a fisherman money to build a bigger boat if he cannot fish? As more and more of the fishing opportunities are closed down because you have bigger boats chasing fewer fish and a management plan which is beginning to fail, unemployment insurance for these fishermen becomes absolutely necessary in order to put food on the table for their families. What we have is an unemployment insurance régime in this country which discriminates against fishermen the way it does against no other occupational group.

We had a situation in this House not too long ago in which we debated the issue of fishing. I would point out, Mr. Speaker, that there were fishermen in the communities of my riding who waited up to 12 weeks before they were able to get their claims processed. They were on welfare. Trying to collect welfare took them six weeks. There is a desperate need to improve the administration of the unemployment insurance system. There is a desperate need to provide some equity in unemployment insurance benefits so that fishermen who fish in the winter can claim in the period when they are normally disqualified, and the same for individuals who injure themselves or are in ill health. There is tremendous discrimination. It has often been said that that is the only group which is self-employed which has access to unemployment insurance benefits. However, I assure you, Mr. Speaker, there are strong indications there that we need improvements and we need them soon. Thank you.

Mr. Brian Tobin (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I have just a very quick comment to make. I would like to assure both hon. gentlemen that their comments have been listened to with great interest. It is my own view, and I am sure the view of the officials of the Department of Fisheries, some of whom are listening now, that very constructive advice has been given. We shall attempt to recognize that which has been constructive and to make whatever improvements can be made in future when Bills of this sort come before the House.

I would simply like to emphasize again to the Hon. Members the Minister's appreciation for allowing this Bill to go through three stages today. Without this authority, the Act would expire effective July 1 and loans could not be made. It is particularly important in the case of British Columbia where 70 per cent of all of the loans go.

It would be of interest to the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), that in the case of the Maritime Provinces, provincial Governments do provide loan board. In the case of British Columbia this is the only means available. I thank hon. gentlemen opposite for allowing this Bill to go through today.

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

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

The Acting Speaker (Mr. Blaker): Is it the wish of Hon. Members that the Chair call it five o'clock?

Mr. Smith: Mr. Speaker, given that we have put three Bills today through all the stages, we have done a good day's work. I am sure everyone in the House will see the clock as reading 5 p.m.

The Acting Speaker (Mr. Blaker): Is that agreed?

Some Hon. Members: Agreed.

At 4 p.m. the House adjourned without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, June 20, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed from Thursday, June 16, 1983, consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport.

Mr. Deputy Speaker: The Parliamentary Secretary to the President of the Privy Council (Mr. Smith) was arguing a point of order when the debate was interrupted.

Mr. Smith: Mr. Speaker, as you pointed out, when we adjourned debate on this Bill last Thursday I was replying to a point of order made at some length by the Hon. Member for Hamilton Mountain (Mr. Deans) in which he suggested that because the Bill contained several principles it should be split, presumably by the House. The Hon. Member referred to a citation in Erskine May at page 380 under the heading "Complicated Questions" where it is stated:

—the House may order such question to be divided—

Further on down the page it states:

In 1888, however, the Speaker ruled that two propositions which were then before the House in one motion could be taken separately—

I pointed out to you, Mr. Speaker, that that quotation is in there, of course, but the verbs which are used are very important. It does not say that they "must" be split. It does not say that they "shall" be split. It simply says that they "may" be split. Frequently Bills come before the House which contain numerous principles, and if it is to be held that there must be a separate Bill for each principle, I would suggest, with the greatest of respect, Mr. Speaker, that the business of this House would literally grind to a stand still.

What will happen is that amendments will be put throughout the course of debate, perhaps after we have heard witnesses in committee and that sort of thing, and then we will arrive at a package. That package may contain some measures which the Hon. Member does like. It may contain some measures which the Hon. Member does not like. However, he has to make tough decisions. That is what politics is all about. You cannot have a separate Bill on every single principle.

Inherent in the Hon. Member's argument is really a rejection of the validity of omnibus Bills in certain situations. Omnibus Bills, of course, are a legitimate legislative device where the legislative body is dealing with a matter which relates to one over-all policy. That is certainly the case when we are talking about the whole question of railway upgrading and the rate structure. If my hon. friend were only concerned about the Dominion Coal Lands, I am sure we could solve that problem, but the response of the New Democratic Party to this issue is a typical NDP response. It, of course, wants the railway to spend more money on improvements, but it refuses to come to grips with the question of where the money will come from to do that. I feel it is legitimate and appropriate that one Bill deal with one issue which is destined to be interrelated. How can one talk about improving railways without dealing with the question of how the costs are going to be paid?

There was reference to the statement by Mr. Speaker Lamoureux made on January 26, 1971, when he said:

There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

He was referring in that statement to the comprehensiveness of omnibus Bills. There was also a reference to the statement made by Mr. Speaker Jerome on May 11, 1977, in which he expressed some very deep concern about whether our practices in respect of Bills do in fact provide a remedy for the very legitimate complaint that a Bill of this kind gives the Government, under our practices, the right to demand one decision on a number of quite different although related subjects. Well, the current Speaker dealt with that question in a very final way. She ruled that the Bill, based on all of the precedents before her, was in order and that the proposition that it should be divided could not be accepted. She did that quite decisively.

• (1110)

In respect to the energy legislation, in which the appropriateness of the scope of an omnibus Bill was decided, the paramaters that Bill encompassed were much more comprehensive than those of this particular Bill. Of course that Bill was split, but it was split voluntarily, not because it had to be, but it was split voluntarily after negotiations, for procedural reasons.

Mr. Lewis: After some reflection.

Mr. Smith: In those negotiations the Parties agreed to cooperate.

Well, what has been the position of the NDP on this issue? They do not want it introduced or debated. They do not want witnesses to be heard. They are prepared to deny the right of people, particularly western Canadians, who want to have their views on the record—

Mr. Deans: That is not true.

Mr. Smith: They are prepared to deny that right by trying to block it from going to committee, which is the only place where witnesses can be heard.

Mr. Deans: That is not true, either.

Mr. Smith: This, Mr. Speaker, is a dilatory tactic, a stalling tactic; we all recognize that. You really have to scratch your head at the degree of good faith of the NDP in raising this point at this stage of the debate. If you refer to the ruling of Madam Speaker on March 2, 1982, in commenting on what Speaker Lamoureux said, she said that:

> Although he expressed the reservation that the point of going too far may have been reached, he did not offer a solution, except to say that future omnibus Bills should be scrutinized at first reading stage—

At first reading stage, Mr. Speaker. This is not the first reading stage. This is the second reading stage and we are in the umpteenth day of debate on second reading in which we had countless NDP speakers participating. They did not do so under protest. They may have been protesting the contents of the Bill, but they certainly were not suggesting that it was not in order to present the Bill because it contained several different principles. Not only that, Mr. Speaker, but they moved an amendment for a six months' hoist, and we then had dozens of speakers, including virtually the entire NDP representation in the House, on that amendment. Then, when they run out of speakers and they are going to continue to filibuster this Bill from going into committee and allowing the public to be heard, they have to come up with another argument. So they reach way back and pull out this argument which, if it had any validity at all, and if we are to follow the citations read by the previous speakers, should have been raised at first reading stage. Therefore, Mr. Speaker, I can only conclude there is no merit in this point of order. It is a dilatory, stalling tactic.

We do not alter the rules of Parliament to accommodate political objectives and strategies. The rules are the rules; we all live by them. I think it is an abuse of the rules when there is an attempt made to frustrate the elected representatives in dealing with the nation's business. That is what is going on there. I think the point of order should be summarily dismissed and we should get back to the debate, get the Bill out of here and into committee, and allow the public to be heard.

Mr. Lewis: Mr. Speaker, it is my pleasure to intervene on this point of order raised by the Hon. Member for Hamilton Mountain (Mr. Deans) and to support the contention that Bill C-155 is an omnibus Bill which, under the rules of the House, is complicated and should be divided.

Before proceeding to my argument I would like to touch on the arguments made by the Parliamentary Secretary to the President of the Privy Council (Mr. Smith). First of all he finished his summation by suggesting that any objection to splitting the Bill must be made at first reading. This will have to be a very quick objection, if the Parliamentary Secretary can find some way for us to hear the motion for leave to print the Bill and then make the objection as it sort of travels to the Table before it is printed. One wonders just exactly how the mechanics of that will be worked out.

• (1115)

Second, I would suggest that it is not the position of the Chair to reject matters summarily, and thankfully the Chair does not reject points of order summarily, out of hand, as the Government would wish it to do. The Chair is naturally our protection that that shall not happen.

Third, I would like to comment on the voluntary nature of the Government's agreement to split the energy Bill, as the Government was dragged, kicking and screaming, to its point of volunteering on that very important Bill. The House will know that that manoeuvre, the Energy Security Act, which the Government tried to foist on the people and Parliament, was not backed up by the people, who supported our argument, the Conservative argument, that the Bill was odious and did not make any sense the way it was, with 12 pieces of legislation contained in the Bill. It was ultimately split into nine or ten separate Bills and the House dealt with them very expeditiously.

I have reviewed the argument made by my colleague, the Hon. Member for Calgary Centre (Mr. Andre), at the time of the Energy Security Act. I want to compliment him on the way he put forward the argument. One thinks that if he had not fallen by the wayside and became a Ph.D. in engineering, he would have made a good lawyer.

The first point I want to make to the Chair is that it is within the authority of the Chair to split a proposition placed before it by way of a motion or a Bill, as long as any Hon. Member objects to the items being taken together, and as long as each part is capable of standing on its own. I refer the Chair to Erskine May, on page 380, in which the reference is to complicated questions. It states:

> In 1888 . . . the Speaker ruled that two propositions which were then before the House in one motion could be taken separately if any Member objected to their being taken together (u). Although this ruling does not appear to have been based on any previous decision, it has since remained unchallenged (a). A complicated question, can, however, only be divided if each part is capable of standing on its own (b).

We submit that the Chair does have the authority to split the Bill.

There are four arguments which I wish to place before the Speaker. The first argument concerns relevancy. The point is made, in the precedents, that there must be a relevancy between the various parts of the Bill. Citation 703 of Beauchesne's, found on page 218, states:

> Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill.

The question for the Chair is: is there a relevancy? Is there, as the Deputy Speaker said on May 6, 1971, a set of guidelines? Is there a theme that runs between the contents of the Bill and subject to the umbrella which is raided by the terminology of the long title of the Bill?

To expand my argument of relevancy I would point out that the title of the Bill is, "An Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof". There is no reference in the title of the Bill to the releasing of coal lands under Clause 62. There is no reference in the Bill to the upgrading of the railway lines. There is a reference to the setting of the freight rates.

Therefore, we submit that the question to the Chair, as far as relevancy is concerned, is this: is there a relevancy between trying to tie together, in one Bill, releasing coal lands, upgrading rail transportation in western Canada, and setting freight rates? We submit that there is no relevancy in the Bill as it is drafted.

The second part of our argument concerns debate at second reading, and just exactly what it means. Citation 734 of Beauchesne states that:

• (1120)

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

That citation is important because we are trying to debate what is contained in Bill C-155 on a coherent basis. It is difficult to do that when there are these competing interests within the Bill. More important, when debating time has been cut down through the new rules a Member must address himself or herself to three different aspects of the Bill within the ten-minute speech allotted at the second reading stage.

Once again I point out to the Chair that there are these three principles that we are debating—upgrading rail transportation, releasing coal lands, and setting grain freight rates. It is quite possible for a Member to be in favour of releasing the Dominion coal lands while at the same time violently opposing, as does the Progressive Conservative Party, the increase in grain freight rates. That is where we have difficulty in debating this Bill on a coherent basis at second reading.

The third part of our submission concerns the vote at second reading. At second reading stage the whole principle of the Bill is at question. Members of this House either affirm the principle of the Bill or deny it through one vote which we cast. It is impossible for us to cast a meaningful vote at second reading if there are competing interests within the Bill. We are not concerned if the Bill has one principle and its clauses expand on that principle to state how it will be carried into law. We are arguing that it is difficult to vote in a meaningful fashion if there are three competing principles upon which one vote must be passed. For that reason we submit that the Bill should be split by the Chair.

Finally, I wish to refer the House to Beauchesne, citation 120, which states that the Chair's responsibility is to see that debate, which includes votes, is carried forward in an orderly fashion. We suggest to the Chair that through that citation it has a responsibility to see that Bills have relevancy, that debate at second reading can be coherent, that the vote at second reading is meaningful and only addresses one principle, and that the Member should not be put at odds with different principles within the Bill.

In conclusion I would respectfully suggest to the Chair that the competing principles within the Bill, which are the upgrading of railway transportation lines, release of the Dominion coal lands, and the increase in the freight rates, set up an omnibus Bill situation or, "a complicated question" to which the Chair can rightfully address itself. In the interest of orderly debate and meaningful votes, the Chair should see the strength of our argument and split the Bill into the three areas suggested in order that the House can address itself to the principles of the Bill and vote in the way in which all of us were sent here to vote by our constituents.

Mr. Deputy Speaker: At this point the Chair has heard spokesmen from each of the three Parties. The Chair does not care to have a repetition of the argument. If Hon. Members have something new to add to the point of order the Chair will listen, but it is asking Hon. Members not to simply repeat argument.

I see the Hon. Member for Regina West (Mr. Benjamin) on his feet. I will ask him to be very brief and not repetitious.

Mr. Benjamin: Mr. Speaker, I rise on the same point of order with what I think is new material and what also may be of assistance to the Chair in terms of what the Parliamentary Secretary had to say on the point of order. I agree with the Hon. Member for Simcoe North (Mr. Lewis) that it was ridiculous when it was suggested that this point of order should have been raised at first reading. How it could have been raised at that time totally escapes me.

Mr. Deputy Speaker: The Hon. Member for Simcoe North covered that point adequately. Does the Hon. Member have something to add to the point of order?

Mr. Benjamin: Mr. Speaker, I want to remind the Chair and the Parliamentary Secretary that roughly a month ago, May 19, we formally wrote to the Government requesting that the Bill be split. We made that letter public, and it was not until last Wednesday that the Hon. Member for Hamilton Mountain (Mr. Deans) was told that the Government was not going to split the Bill.

• (1125)

Some Hon. Members: Shame!

Mr. Deputy Speaker: Order, please. If the Hon. Member is prepared to give argument, the Chair is prepared to hear it. But the Hon. Member is not giving argument; he is giving a history of previous events. This has been well stated by his

House leader. The position of his Party has been given. The Chair invites argument on the merit of the point raised, not on another matter.

Mr. Benjamin: Mr. Speaker, you heard the arguments of the Parliamentary Secretary on the item about which I was just talking. It was not until last Thursday that my colleague from Hamilton Mountain could raise the point of order with the Chair because we waited until we had a response from the Government on the matter, and then the Hon. Member raised it at the first opportunity. For anybody to—

Mr. Deputy Speaker: Order, please. The timing is not an issue. The Hon. Member for Hamilton Mountain has made his point. He has had ample opportunity to do it. I invite the Hon. Member not to waste the time of the House but to give his argument.

Mr. Benjamin: Mr. Speaker, that was an issue. It was made an issue by the Government, and I am responding to it.

Mr. Deputy Speaker: The Hon. Member for Rosemont (Mr. Lachance).

Mr. Hovdebo: Mr. Speaker, I rise on the same point of order.

Mr. Deputy Speaker: The Chair does not propose to hear fallacious and repetitious points of order which add nothing to the debate. At this point the Chair has heard spokesmen from each of the main Parties. The Chair will defer, carefully review the record, and render a decision. At this stage the Chair will go back to the Hon. Member for Rosemont who had the floor.

Mr. Benjamin: I thought I had the floor, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member was abusing the time of the House. He was not dealing with the point of order.

Mr. Deans: That is nonsense.

Mr. Deputy Speaker: The Chair is not prepared to hear repetition and wasteful interventions.

Mr. Benjamin: Mr. Speaker—

Mr. Deputy Speaker: The Hon. Member for Calgary Centre.

Mr. Andre: Mr. Speaker, I would like to address the point of order raised by the Hon. Member for Hamilton Mountain. I will not be repetitious or deal with arguments that have been put by my colleague, the House Leader for our Party.

I want to deal just briefly with the role of the Speaker and the role of the House as it pertains to addressing points of order of this type. As Mr. Speaker will be aware, this kind of question has vexed successive Speakers, and the history of points of order of this type goes back a number of years. It addressed the fundamental question of the role of the House of Commons, the purpose of the House of Commons, and the intent and purpose of divisions in the House.

Among the roles of the House of Commons perhaps the clear and most important one is the role of legitimizer, to legitimize or to legalize, if you will, the proposals of the Government. Obviously it is in the executive, in the Crown's interest, that this function not take too long. The role of the Speaker in this natural conflict between Government, with its desire to have expeditious treatment of its proposals, and Parliament, with its desire to give fair and proper consideration to the proposals that have been put forward by the Crown, is that of uniquely protecting the House from the Crown. Indeed, when Speakers are appointed, as is traditional they resist such appointment because in the past there have been Speakers who have offended the Crown. They have been known to lose their heads.

Mr. Deputy Speaker: The Chair invites the Hon. Member to be specific about the point of order before us. The Chair is well aware of the problem in the decision and is aware of the responsibility, but would the Hon. Member deal with the particular point of order before us?

• (1130)

Mr. Andre: Mr. Speaker, I will get very quickly to the point I was trying to make. I have no desire to take undue time. In terms of legitimizing and legalizing Crown proposals, the House is required to exercise responsibility by ultimately reaching a decision, by dividing. When we do so the majority prevails and the question put has the force of law, if passed. To do so, it is absolutely fundamental or imperative that the question put be clear, be simple, and be understood. It is impossible to get that kind of clarity from questions which contain more than one simple principle. For that reason the question of second reading, which is vote on principle, must be clear. To put in two, three, four or more principles makes that fundamental division or decision unclear.

Mr. Deputy Speaker: The point was well made by the House Leader of the Hon. Member's Party. He is not breaking new ground. I implore him, if he has something to contribute, to please get to the point, not repeat and take up the time of the House on a matter which has been well argued by the Hon. Member for Simcoe North.

Mr. Andre: Mr. Speaker, let me sum up by saying that the argument has been well argued by the Hon. Member for Simcoe North. It has been well argued by many, many Members over a number of years. It has vexed Speaker after Speaker after Speaker, and it will continue to vex Speaker after Speaker after Speaker as long as there continues to be this mixing of principles. I suggest to the Chair that perhaps this is an appropriate time for this vexing problem to be put behind future Speakers, and that a decision be made in favour of the House, not the Crown—

Mr. Deputy Speaker: The Hon. Member has made his point. Again the Chair is appealing to the House. The Chair wants to

hear anything which will assist in making a decision on the matter, but the Chair requests Hon. Members, please, do not give historical items or anecdotes, or matters that are irrelevant to the essential matters before us. Deal with the principles involved in a decision which the Chair must take.

Mr. Mazankowski: Mr. Speaker, I rise on just a brief point which concerns the procedure and the process. As I understand it, you will defer decision on this and consider the arguments which have been made. I simply put to you that I suppose it will be with the understanding that the debate will go on. If you find that the Bill is improperly before the House, then the debate will certainly be superfluous.

While you, Mr. Speaker, undertake to consider the rendering of a decision, I would suggest that the debate on this particular measure be suspended or deferred. There are lots of other House business with which we can deal. While this issue is before the House, while the question of three or perhaps four basic principles fundamental to an omnibus piece of legislation is under consideration, I think the Speaker owes it to the House to have debate on the issue deferred and/or suspended. We can go on with other business.

Mr. Deputy Speaker: With all due respect to the Hon. Member, the Chair is inviting argument in order to assist in rendering a decision on the point of order raised. The Chair invites interventions dealing with the point of argument at this point. After the Chair has heard argument that appears to be relevant, the Chair will give a decision as soon as it is possible to do so. The suggestion of the Chair is that the debate be continued, and the Chair will not unduly delay a decision.

At this stage are there Hon. Members who are prepared to contribute to the argument? The Hon. Member for Regina West, in the opinion of the Chair, did not get to any point of principle. For the Hon. Member to seek to be recognized on the same point of order when he has previously not dealt with the point of order, I think, is an abuse of the House. Are there other Hon. Members who are prepared—

Mr. Benjamin: Mr. Speaker, on a point of order—

Mr. Deputy Speaker: The Hon. Member for Kootenay East-Revelstoke.

Mr. Parker: Mr. Speaker, this is the first opportunity I have had to speak on the separation of the Bill. I rose once before and was ruled out of order because we were speaking on the amendment. As the Member of Parliament involved with the 50,000 acres in my riding—

Mr. Deputy Speaker: The Hon. Member has been recognized. Will he please make his point of order?

Mr. Parker: My point of order is the fact that this Bill will deal with 50,000 acres of coal land that are in my riding. I am the only Hon. Member in this situation who will have to vote on this piece of legislation. If I want to support the Transportation Act—and I want to try to support the improvement of our transportation system—I will be allowing the Government to steal 50,000 acres of land from my riding.

Mr. Deputy Speaker: With all due respect to the Hon. Member, this is not really relevant.

Mr. Deans: Of course it is relevant.

Mr. Deputy Speaker: The Chair is seeking argument to assist in making a decision. The Hon. Member is not giving argument. I understand his concern. He has expressed his concern previously in the House. It is very real. There is no doubt that in the minds of his voters what he does is a very serious matter. But will the Hon. Member please deal with the point of order before the House?

Mr. Parker: Mr. Speaker, my point of order concerns the fact that we have asked to have this Bill separated. I ask each and every Member of the House of Commons whether they can support a piece of legislation which unveils three items—the cost of grain transportation, improving the transportation system, and the actual outright stealing of 50,000 acres from the Province of British Columbia. I cannot, in all conscience. I say to every Member of Parliament that this Bill must be separated in a way that we can deal with the coal blocs. I, for one, want those coal blocs to be returned to the Province.

Mr. Deputy Speaker: The Hon. Member for Regina West. Would he please deal with the point of order?

Mr. Benjamin: Mr. Speaker, the Crows Nest Pass Act of 1897 reserved certain lands and it also set certain freight rates. Those certain freight rates were removed from the Crows Nest Pass Act of 1897, put into the statutes of 1925 to 1927, and became the statutory rates.

Mr. Deputy Speaker: The Hon. Member can give the House a lecture on the history of the statutes and on the history of the rates, but the issue before the Chair is a very specific one raised by the Hon. Member for Hamilton Mountain. This is the fourth time in which the Hon. Member has not dealt with the point of order. How often does the Hon. Member expect to be recognized, if he will not deal with the point of order?

Mr. Benjamin: Mr. Speaker, if you had given me another five seconds you would have found out why the coal lands are totally unrelated to the other two principles in the Bill. That particular item can stand on its own.

Mr. Deputy Speaker: That was a point made by the Hon. Member for Hamilton Mountain. The Hon. Member is adding nothing to the debate at this point. He is only repeating what the Hon. Member for Hamilton Mountain very ably said in a previous sitting of the House. I implore Hon. Members at least to give the Chair the credit of paying attention to what is said and ask them not simply to repeat argument.

Mr. Lewycky: Mr. Speaker, I just want to add something. I have listened very carefully to the debate and I do not recall anyone mentioning it. Very specifically in our rules we have

Standing Order 73 which indicates that no Bill may be introduced either in blank or in imperfect shape. Of course our contention is that this Bill is presently in an imperfect shape. I would humbly suggest to the Hon. Speaker that when he discusses this or gives his ruling—

Mr. Deputy Speaker: Again the Hon. Member is raising a totally different point of order. This was not the point of order raised by the Hon. Member for Hamilton Mountain, which we are supposed to be discussing at this point. At this stage, after no many hours of debate before the House, it is very difficult for the Chair somehow to accept an argument that the Bill is in blank or imperfectly drafted shape. I invite Hon. Members to deal with the point of order raised by the Hon. Member for Hamilton Mountain. I recognize the Hon. Member for Hamilton Mountain, who has already had ample time.

• (1140)

Mr. Deans: Thank you very much, Mr. Speaker. I want to ask you a question in order to clarify the matter. Am I to understand from the comments that you have just completed that the question relating to the amount of time the Bill has been before the House is relevant to a decision which might be made as to whether or not—

Mr. Deputy Speaker: The Hon. Member has raised a point of order. The Chair is trying to contain the debate to the point of order raised by the Hon. Member. If he is trying to deal with another point of order at this stage—

Mr. Deans: No.

Mr. Deputy Speaker: The Hon. Member for Dauphin-Swan River (Mr. Lewycky) was raising a different line of attack on the Bill, an entirely different point of order. He was stating that the Bill was in imperfect form according to Section 72 of the Standing Orders, which is not the point raised by the Hon. Member for Hamilton Mountain. Therefore, in the interest of trying to be relevant and in trying to deal with the business before the House, the Chair is asking if there are any further interventions on the point of the order before us.

Mr. Deans: Mr. Speaker, if you would be kind enough just to hear me out for less than a minute, perhaps I can explain. The question of the amount of time that the Bill has been before the House was raised in the interjection by the Parliamentary Secretary to the President of the Privy Council (Mr. Smith). I am concerned that that particular reference may well influence the decision of the Chair. I am asking simply that if that particular reference is to influence the decision of the Chair, the Chair take into account, one, that we raised with the Government on May 19—

Mr. Deputy Speaker: The Hon. Member has set forth his record of what he has done. He has to have some confidence that the Chair will not be guided by extraneous considerations. The Chair does not intend to give the Hon. Member an opportunity to deal with every extraneous consideration introduced in this debate, because there have been many of them. The Chair will deal with the point of order raised by the Hon. Member in the context in which the Hon. Member set his point. The Chair will do its very best to do justice to the point that he has raised. It invites other Hon. Members, if they are intervening, to deal with the point of order and not deliberately waste the time of the House.

Mr. Hovdebo: Mr. Speaker, in dealing with the point of order, I intend to deal with the two parts of the Bill and try to show you, Mr. Speaker, that the two areas are quite separate and that, in dealing with the two parts together, the Members of this House, as well as the country, are being forced to look at the Bill incorrectly. The Bill deals with a change in the statutory rates for grain. It does not deal with potash—

Mr. Deputy Speaker: The Hon. Member is making the same point made by the Hon. Member for Hamilton Mountain. The Hon. Member for Hamilton Mountain made the point. He called it a complicated question dealing with other matters. That is the point that the Chair must decide. Is the Hon. Member adding to the argument? If so, in what way is he adding something fresh?

Mr. Hovdebo: Mr. Speaker, the Bill does not deal with potash, freight rates, or coal freight rates. It does deal with grain freight rates. Grain accounts for 14 per cent of the movement through the mountains, and it is a much smaller percentage of the freight moved across Canada. Therefore there is no reason why grain freight rates should be connected to the upgrading of the railways when all of the other freight rates are not connected to it.

We recognize that the grain freight rates are statutory and therefore have to be dealt with by this House. They should continue to be statutory and to be dealt with by this House. To attach them to the upgrading to the railways is unnecessary. It has no relationship. If you do that, you should bring in every other freight rate as well.

Mr. Hawkes: Mr. Speaker, I will try to stay relevant and not waste the time of the House in reviewing the arguments advanced by the Opposition as to why the Bill should be split. I would bring to the attention of the Chair, however, that I have reviewed carefully the statements made by the Parliamentary Secretary last Thursday. I did listen carefully to him in the House. I suggest that in our parliamentary tradition there must be some onus on the Government to advance argument as to why the Bill should not be split. There has not been one single argument advanced by a Government spokesperson as to why these principles should be contained in a single measure.

Mr. Deputy Speaker: Can the Hon. Member cite an instance where the Chair has directed the splitting of a Bill? It would be helpful.

Mr. Hawkes: If we go back to 1888, on that occasion the Speaker acted on the advice and on the complaint of a single Member of the House who felt Members had difficulty in voting on two principles in one vote.

Mr. Deputy Speaker: Is this citation from our own proceedings, from our House? If the Hon. Member could give it, it would be helpful.

Mr. Hawkes: I believe it is from the British House from which our traditions flow and where the creativity of action on the part of the Speaker flows.

Mr. Deputy Speaker: Can the Hon. Member give the citation?

Mr. Hawkes: Erskine May.

Mr. Deputy Speaker: Is the Hon. Member quoting the citation given very eloquently by the Hon. Member for Simcoe North (Mr. Lewis), and by the Hon. Member for Hamilton Mountain, also eloquently? I believe that citation dealt with motions. It did not deal with Bills. Is that the citation? If so, the Hon. Member is not adding to the debate.

Mr. Deans: It is a motion, a motion for second reading.

Mr. Deputy Speaker: It is a Bill?

Mr. Deans: It is a motion for second reading.

Mr. Deputy Speaker: Will the Hon. Member for Hamilton Mountain please take his seat? The Chair has spent a little time with the particular citation. The citation appears to deal with something which is called motions which, in the procedures of this Parliament and in the Parliament of Westminster, are governed separately under the rules and procedures. The Hon. Member for Hamilton Mountain may shake his head but that does not establish him as the authority on the matter.

Mr. Deans: Neither are you; neither are you.

Mr. Deputy Speaker: The Hon. Member has to give evidence dealing with Bills. I am looking for it. If the Hon. Member for Calgary West has a citation that is relevant, the Chair would very much like to hear it. If it is merely a repetition of the previous citation, I suggest he is not adding to the debate. Does the Hon. Member for Calgary West (Mr. Hawkes) have anything to add to the debate?

Mr. Hawkes: Mr. Speaker, the contribution that I make to this debate is to point out to the Speaker that, while the issue has been raised on many occasions and the Speaker has found difficulty accepting the petition of Members of the Opposition, a careful reading of the previous debates will indicate that in every instance the Government was vigorous in its defence of the need to retain separate principles in a common piece of legislation. I suggest this situation is unique in the sense that the Government has not advanced a single argument as to why these three principles should remain in the legislation.

Mr. Lewis: Mr. Speaker, I rise very briefly on a point of order. I would urge upon the Chair that the precedents be examined with a view to improving the operation of the House. If the precedent cited from Erskine May was strictly on motions, I urge upon the Chair to view that precedent as it will assist the functioning of this House. If the Chair has to bridge the gap from motion to Bill in the interest of the House dealing properly with questions before it in terms of relevancy and votes on second reading and principle, I urge that the Chair look favourably upon bridging that gap from motion to Bill, and not cast out a precedent simply because it does not comply strictly with the definition of a motion vis-à-vis a Bill.

• (1150)

Mr. Deputy Speaker: The Hon. Member will want the Chair to act properly with due regard to all the matters and all the arguments brought before us, which is what the Chair is trying to do.

At this stage are there further arguments dealing with the point of order raised by the Hon. Member for Hamilton Mountain? If not, I will recognize the Hon. Member for Rosemont (Mr. Lachance).

Mr. Mazankowski: I rise on point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Vegreville (Mr. Mazankowski) is rising again.

Mr. Mazankowski: Mr. Speaker, I rise just to make my point again. The fact is that there is a clear possibility that you will find—

Mr. Deputy Speaker: I have dealt with the matter raised by the Hon. Member for Vegreville. The Chair is taking the matter under consideration and, in fairness to Hon. Members, I am sure the House would be very unhappy if the Chair were to do otherwise.

The Chair is inviting the debate to continue, and the Chair will give a decision as soon as it is possible to weigh all the arguments that have been put forward. The Hon. Member for Rosemont.

Mr. Mazankowski: Mr. Speaker, I rise on a point or order.

Mr. Deputy Speaker: The Hon. Member has been recognized on a point of order and the Chair has ruled on the point of order. If the Hon. Member is making the same point of order, there is no appeal.

Mr. Mazankowski: Mr. Speaker, I simply point out that this debate ought not attempt to go forward until the decision is available.

Mr. Deputy Speaker: The Hon. Member for Rosemont.

Mr. Deans: Mr. Speaker, I rise on a question of privilege.

Mr. Deputy Speaker: The Hon. Member for Hamilton Mountain rises on a question of privilege. Again, I appeal to Hon. Members not to make false points and interventions that are not directed to true questions of privilege. If the Hon. Member is raising a question of privilege, will he state it?

Mr. Deans: Mr. Speaker, my question of privilege is that at the time the Chair interrupted me while I was attempting to raise a point of order, the Chair made reference to Members wasting the time of the House. I want to reserve the right to review the "blues" and I will, if need be, challenge the Chair on that particular assertion.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Hon. Members will have to judge the record by itself. The record will stand. The Hon. Member for Rosemont.

[*Translation*]

Mr. Claude-André Lachance (Rosemont): Mr. Speaker, I would like to broach the problem underlying Bill C-155 in terms of the expansion of our export markets.

Our rail lines are the main arteries along which grain and other products are moved to export markets that are vital to the Canadian economy. Before the sixties, Canada's rail transportation system was capable of handling market expansion. However, with the advent of the sixties, our rail system began to handle other products such as coal, sulphur and potash in addition to grain. The handling capability of our rail system was simply not great enough to bring these products to our ports and, eventually, to foreign markets.

Back in the sixties, our rail lines handled only about 10 million tons annually. By 1980, the volume handled had already tripled. And, looking ahead to 1990, we can make the following projections for the commodities I mentioned earlier. By 1990, it is estimated that the system will move 53.3 million tons of coal compared with 14.1 million tons in 1980. For grain, the projected volume is 19 million tons compared to 10 million tons, for sulphur, 6.8 million tons compared to 5.4 million tons and for potash, 9 million tons compared to 3.6 million tons. Why is it so important for Canadians to tap foreign markets? How can our rail systems help to develop these markets? The answer is quite simple. These commodities, which come primarily from western Canada, can only be moved economically by rail.

To handle the increase in rail traffic, the railway authorities have been spending money for the past twenty years on improvements to the system. While I won't give you a complete rundown of all the improvements made, I will say that we are all aware of the nature of these investments which totalled approximately $2.4 billion. For the most part, these $2.4 billion came from the public coffers. Various subsidies and grants have made it possible for these companies to expand and upgrade the rail system.

The fact is, Mr. Speaker, that these improvements have now reached their limit and that a single track system, as opposed to a double track system, will not be able to handle the projected increase in volume that I quoted earlier for 1990. Therefore, we have to invest, and invest considerably, in order to be able to export enough commodities to enable us to survive as a trading nation. I would like at this time to quote another statistic: it is estimated that a single track is capable of handling between 30 million tons and 43 million tons per mile. We would have to move approximately 80 million tons per mile by 1990 if we wanted to meet the objectives to which I alluded earlier on. How much will this cost between 1981 and 1985? It is estimated that $7.7 billion will be needed to expand the rail system, that is about three times the amount invested during the sixties and seventies. If we look ahead to 1990, we are talking about $18 billion. And the total CN and CP revenues, before the economic recession, were somewhere around $4.6 billion. Therefore, we need to come up with an additional $3.1 billion and we have to realize that the chances of the railways securing financing from the private sector, either the private bond market or the private lending market, are rather limited.

What is the root of the problem? The fact is that while grain handling accounts for 20 per cent of overall system utilization, only 3.5 per cent of the income from the rail system stems from grain handling. And why is this? Clearly it is because of the statutory Crow freight rate which dates back to 1898, and which today represents only 18 per cent of actual grain transportation costs. It is estimated that it will account for only 9 per cent of real costs by 1990. It is also estimated that the income lost because of the freight rate amounted to approximately $469 million in 1980 and $670 million for 1981-82, considering that this was a bumper year. Why am I quoting all of these figures? Because, Mr. Speaker, with the exception of the New Democratic Party and the National Farmers Union, everyone seems to agree that the system needs to be upgraded and everyone seems to agree that the whole issue of the 1898 grain transportation freight rate needs to be reviewed.

We have no true alternative. If we do not move, we will be unable to transport the commodities we should transport by 1990. We will lose our markets abroad and Canada's reputation will suffer. We do not want to have to face such dire consequences and for this reason, we must review immediately the whole question of rail transportation and, in particular, the question of the grain freight rate. If, by 1985, a mere 10 per cent of potential exports could not be transported by rail because our system was inadequate, we would still stand to lose one billion dollars. The solution proposed by the Minister of Transport (Mr. Pepin) has been the focus of numerous and lengthy debates and it's a good thing that this is so.

I had the opportunity to participate in the debate some time ago to deplore the fact that some Members do not even want us to debate this question in the House. They have tried a series of measures and manœuvres to prevent the House from debating the question of the Crow rate and the proposed amendments. They have prevented the House from doing its job. With respect to the proposals of the Minister of Transport,

the ideal place to discuss his proposals and eventually to make any necessary changes would be in committee. This is a matter for the Transport Committee to deal with. However, Mr. Speaker, they are opposed even to referring this matter to the Transport Committee. For this reason, Mr. Speaker, and because I think the House must come to a decision on this matter, I move, seconded by the Hon. Member for Labelle (Mr. Dupras):

That the question be now put.

• (1200)

[*English*]

Mr. Deputy Speaker: If I have correctly understood the Hon. Member, he has moved the previous question. The Chair proposes not to accept or pass judgment on the motion until the Chair has had an opportunity to render a decision on a point of order raised by the Hon. Member for Hamilton Mountain. Therefore, the Chair will simply defer consideration of this motion until the Chair has been able to deal with the point of order.

Mr. Smith: Mr. Speaker, I take it, though, that the previous question has in fact been properly moved by the Hon. Member for Rosemont (Mr. Lachance), in the event the Chair does dismiss the point of order raised by the Hon. Member for Hamilton Mountain?

Mr. Deputy Speaker: Depending on the finding of the Chair, it may well be that the motion could be considered. It depends on the view of the Chair and the Chair at this point is not passing judgment or putting the motion before the House.

[*Translation*]

Mr. Lachance: Mr. Speaker, I rise on a point of order.

Mr. Deputy Speaker: The Hon. Member for Rosemont (Mr. Lachance) on a point of order.

Mr. Lachance: If I understand correctly, the question has been properly moved, but you are deferring presentation of the motion in the House.

Mr. Deputy Speaker: The Hon. Member is correct.

[*English*]

Mr. Mazankowski: Mr. Speaker, as a matter of clarification, am I to understand that in the event that the Chair finds that the Bill is properly before the House and that it should not be separated, you will then entertain arguments as to the procedural validity of the motion which has been presented?

Mr. Deputy Speaker: The Chair at that point will consider the motion which has been presented. Whether there is a point of order raised at that point, the Chair is not in any way going to try to anticipate. The Chair will deal with the motion as presented after having dealt with the point of order raised by the Hon. Member for Hamilton Mountain.

Mr. Mazankowski: Mr. Speaker, I assume that the Chair will then entertain points of order—

Mr. Deputy Speaker: The Chair makes no commitment other than to deal with the motion.

Mr. Smith: Mr. Speaker, following the reference to the previous question on page 157 of Beauchesne, wherein it refers to page 327 of Bourinot, it states that once it is proposed—that is the previous question—the debate may continue on the original question. Therefore, am I to assume that we will continue debate on the original—

Mr. Deputy Speaker: This has been the procedure of the Chair, to continue debate until such time as the Chair has had an opportunity carefully to review the record, render a decision on the point of order, and then deal with the motion as proposed. I believe the House understands that. Are there other speakers on the main question?

Mr. Towers: I rise on a point of order, Mr. Speaker. Is that motion proper to be either accepted or rejected?

Mr. Deputy Speaker: The Chair is not dealing with the matter at this point. The Chair is going to render a decision on the point raised by the Hon. Member for Hamilton Mountain, at which time the Chair will consider the motion as proposed.

Mr. Mazankowski: Mr. Speaker, to go back to my original point, the fact of the matter is that this Bill may very well be improperly before the House. All you are doing by taking the position that you have is simply to—

Mr. Deputy Speaker: The Chair is—

Mr. Mazankowski: As I understand it, that particular motion should be put immediately.

Mr. Deputy Speaker: The Chair will not put that motion until the Chair has dealt with the point of order. Hon. Members should understand this. It is a perfectly regular procedure.

Mr. Korchinski: Mr. Speaker, I—

Mr. Deputy Speaker: Excuse me. Perhaps for the benefit of the record, the previous question is a debatable motion. There is no question about that. Any Hon. Member who would like to intervene in debate will certainly have an opportunity to intervene in debate on that motion, in case that was the point of the Hon. Member for Vegreville (Mr. Mazankowski).

Mr. Mazankowski: Mr. Speaker, you are not accepting that motion until you render a decision on the point of order?

Mr. Deputy Speaker: That is perfectly correct.

Mr. Mazankowski: In that case, we have the potential of two possible motions—

Mr. Deputy Speaker: The Chair will try to deal in an orderly way with the point of order and then the motion.

Meanwhile, the Chair asks the indulgence of the House to let the debate continue until the Chair can do its best to sort out the matters placed before it. The Hon. Member for Yorkton-Melville (Mr. Nystrom) on a point of order?

Mr. Nystrom: Mr. Speaker, it is really in the form of a question. Right now you are considering the previous point of order put by the Hon. Member for Hamilton Mountain (Mr. Deans). I wonder how you can accept a motion from—

Mr. Deputy Speaker: Order. The Chair has not accepted any motions at this point. The Chair has given the floor to the Hon. Member for Mackenzie (Mr. Korchinski).

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, upon rising at this particular juncture to participate in the debate, I would like to say that I was somewhat amazed when I heard the comment of the Minister of Transport (Mr. Pepin) who is proposing these changes that there should be so much opposition to his suggested changes. The Minister, as one well knows, comes from the Province of Quebec where the people take the issue of culture very seriously, and so they should. He was one of the members of the Pepin-Roberts Commission which studied the question. Of course, it was with the intent that a particular grievance in a particular part of the country had to be dealt with. What this Minister apparently is not aware of, as well as, apparently, all the Government Members, is that the Crow rate itself is part of western culture, and so it has become.

While many people regard Saskatchewan, Manitoba and Alberta as the Prairies, it is not really so because while the CBC would have us believe that the people settled on the grass of the Prairies, much of western Canada was developed by the sweat of the brows of people settling there from many parts of the world. They did it by swinging the axe and many of us have participated in that development personally. I wonder if Hon. Members know what it is like to work in the heat? I see an Hon. Member here who originally came from my constituency. He knows what it is like. He knows that under the heat of the sun on a day like today every tree had to be hacked away. That land had to be developed by the sweat of the brows of these people who see in this Bill something being taken away. What they see is the Government telling them that all their efforts are for naught because the Government is going to change their way of life. It says so itself. The Government says it is going to change and transform western Canada. In other words, what has happened before has got to go by the board.

There has been opposition to this. Already two good amendments have been accepted by the Minister of Transport. How did they come about? Not by keeping silent.

The Indian wants his culture, and so he should. We in western Canada want it to be recognized that we played a part in the development of this country. It is for this reason, which goes beyond the development of a railway, which is strictly economical in terms of development of one particular segment of the economy, that we plead with this Government, and it is for that reason we have put up 52 speakers, as opposed to the 23 of the New Democratic Party and the eight of the Liberals. The composition of the committee is six Liberal Members, three Conservative Members and one New Democratic Member. It is there where the Government is going to open up. Why? Because it will overpower opposition Members.

• (1210)

The Hon. Member for Vegreville very clearly enunciated 14 points. Up until now the Minister has answered two of those points. He says he draws the line there. Why? Were the other 12 points not valid? Surely they are going to be considered in committee. If so, he must have had a chance to study them by now. If they are going to be valid in committee, they should be valid now. When will the answers be coming forward? Has the Minister or anyone else explained why the other suggestions or points are not to be put forward and are not valid? They had a golden opportunity to do this. We have already had some changes as a result of debate. A fifty-fifty payment was suggested and since then the Government has withdrawn this.

We came forward with another option concerning the right of the farmer to decide whether he gets the money himself or it should go to the railways. That evolved as the result of debate, not as a result of silence. The Government wants to impose silence upon us. For what justifiable reason? Just to hide this issue. When we debate an issue in this House it is on television, but in committee it is buried very silently with only a few reporters covering the proceedings and only the few people who care to read those proceedings know what has happened.

What we are doing, Mr. Speaker, is pointing an accusing finger at this Government which is trying to destroy western culture. I suggest it is time we call a spade a spade. For example, some of the mish-mash this Government is suggesting is that there will be some sort of a 10 per cent safety net. The Government throws in a little bit of this, a little bit of that. My wife does a lot of cooking and she throws in a little bit of this and little bit of that. Of course, she knows what she is doing but, watching from the sidelines, I do not. The Government might suggest that there is a safety net of 10 per cent. Nonsense. What about the amount in excess of the 31.1 million tonnes? Where does that enter into it? Has the Minister explained that? He has not. What about 6 per cent inflation? Has he explained that to my satisfaction or the satisfaction of anyone else? No, he has not bothered. He says: "Trust me". I am not going to trust someone who keeps silent, someone who will bury this Bill in a committee and then railroad it through.

What can one say in ten minutes, Mr. Speaker? Very little. I could go on and on, but because of the time limitation I move, seconded by the Hon. Member for Vegreville:

That this debate be now adjourned.

The Acting Speaker (Mr. Blaker): The House has heard the motion. All those in favour of the motion 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 motion (Mr. Korchinski), which was negatived on the following division:

(Division No. 359)

YEAS

Messrs.

Althouse	Hawkes	McMillan
Anguish	Hovdebo	Miller
Blaikie	Howie	Mitges
Bradley	Huntington	Munro (Esquimalt-Saanich)
Clark (Brandon-Souris)	Jelinek	Murphy
Clarke (Vancouver Quadra)	Kempling	Neil
Cook	Kilgour	Nielsen
Cossitt (Mrs.)	Knowles	Nowlan
Crosbie (St. John's West)	Korchinski	Nystrom
Crouse	Kushner	Ogle
Deans	La Salle	Orlikow
de Jong	Lawrence	Patterson
Domm	Lewis	Reid (St. Catharines)
Epp	Lewycky	Skelly
Fretz	MacDougall	Stevens
Gurbin	Manly	Stewart
Halliday	Mazankowski	Taylor
Hamilton (Qu'Appelle-Moose Mountain)	McCuish	Thacker
Hargrave	McDonald (Ms.) (Broadview-Greenwood)	Towers
	McGrath	Vankoughnet
	McKenzie	Wenman
	McKinnon	Wright
	McKnight	Young—65.

NAYS

Messrs.

Allmand	Demers	Hopkins
Appolloni (Mrs.)	Deniger	Hudecki
Axworthy	Dion	Isabelle
Bachand	Dionne (Chicoutimi)	Ittinuar
Baker (Gander-Twillingate)	Dionne (Northumberland-Miramichi)	Johnston
Beauchamp-Niquet (Mrs.)	Dupont	Joyal
Bégin (Miss)	Dupras	Kaplan
Blais	Duquet	Kelly
Blaker	Erola (Mrs.)	Killens (Mrs.)
Bloomfield	Ethier	Lajoie
Bossy	Evans	Lalonde
Bujold	Ferguson	Lamontagne
Burghardt	Fisher	Landers
Bussières	Fleming	Lang
Caccia	Flis	Lapierre
Campbell (LaSalle)	Foster	Lapointe (Charlevoix)
Campbell (Cardigan)	Frith	Lapointe (Beauce)
Chénier	Gauthier	LeBlanc
Collenette	Gimaïel	Leduc
Corbin	Gourd (Argenteuil-Papineau)	Lefebvre
Cosgrove	Gourde (Lévis)	Loiselle
Côté (Mrs.)	Gray	Lumley
Cousineau	Harquail	MacBain
Cullen	Henderson	MacEachen
Cyr	Hervieux-Payette (Mrs.)	MacGuigan
De Bané		MacLellan
de Corneille		Malépart
		Maltais
		Marceau
Massé	Portelance	Tardif
Masters	Regan	Tessier
McRae	Roberts	Tobin
Nicholson (Miss)	Rompkey	Tousignant
Ouellet	Rooney	Trudeau
Pelletier	Rossi	Turner
Pepin	Roy	Veillette
Peterson	Schroder	Whelan
Pinard	Smith	Yanakis—108.

● (1400)

Madam Speaker: I declare the motion lost.

If Members would now like to proceed to Routine Proceedings, I could do that. However, I am ready to rule on the point of order that was raised about the Bill that is before the House. I could do that immediately before Routine Proceedings, or now.

Some Hon. Members: Now.

Madam Speaker: Now, very well.

Mr. Deans: Madam Speaker, since it was my point of order I would rather you ruled after Routine Proceedings.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

THE ROYAL FAMILY

FAMILY LIFE EXAMPLE SET BY PRINCE AND PRINCESS OF WALES

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, ours is an age where family life is seriously threatened by so-called marriage breakdowns. With divorce rates doubling in Canada between 1968 and 1978 from 124 divorces to 243 divorces for every 100,000 marriages, 456,000 children are now directly affected. When some current lifestyles are eroding Christian marriage and family values, there is a need for healthy family role models to help to restore the balance.

Today we are hosting such a role model in the persons of their Royal Highnesses, the Prince and Princess of Wales. This Royal couple, despite the heavy demands of public life, show a strong commitment to each other and are mutually supportive.

The Prince fulfilled his expectant father's task as "labour coach" at the delivery of their son. Both are comfortable and enjoy their child. Both take time out for family life activities.

Their popularity attests to the respect the public holds for a couple who so generously expend their energies in the duties of their calling and on giving and sharing love within marriage and the family.

S.O. 21

MEDICAL CARE

CONDEMNATION OF MINISTER'S ACTIONS

Mr. Jim Hawkes (Calgary West): Madam Speaker, I wish to bring to the attention of the House the fact that today we have a Minister of National Health and Welfare (Miss Bégin) whose actions are threatening to destroy the medicare system. I bring to the attention of the House the fact that the Minister has gone one year without meeting with provincial counterparts, and refuses such meetings. I bring to the attention of the House that the Minister chose New York City in which to announce a major change in health policy, a change which would double-tax Canadians. I bring to the attention of the House that, in response to that announcement, Mr. Nielson, the Minister in British Columbia, threatened to pull that Province out of the medicare system.

• (1410)

I bring to the attention of the House that the Prime Minister (Mr. Trudeau), in an interview in *Le Devoir* last weekend, said:

[*Translation*]

—we risk the destruction of Medicare—

[*English*]

"We risk the destruction of the medicare system." Those are the words of the Prime Minister to *Le Devoir*. We have a Minister of National Health and Welfare who refuses to recognize the federal nature of the country and, in so doing, brings the whole medicare system into question, which Canadians will never forgive.

* * *

EXTERNAL AFFAIRS

GUATEMALA—PLIGHT OF MAYAN INDIANS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, under General Rios Montt, the Government of Guatemala continues to rage genocidal war against the Mayan Indians of that country. As a result of army activities against their villages, an estimated million Indians are internal refugees, while thousands more are crowded into refugee camps in Mexico. Recently the Guatemalan Government proclaimed a false amnesty and stopped military activity, but when people returned to their villages they had to register with both civilian and military officials and faced intensive questioning. Now many of these people face a process of selective assassination and torture.

In Canada the Assembly of First Nations presented information to the Department of External Affairs concerning sites where torture and mass executions have taken place. The time has come for Canada to abandon its policy of silent agreement with the Reagan line that the Guatemalan Government is only engaged in protecting the state from Marxist guerrillas. The killings and torture must be seen as a war of extermination against the indigenous people of Guatemala, not as an extension of the East-West conflict. Canada must insist on a thorough international investigation, including visits to the sites where the atrocities are alleged to have taken place.

* * *

POLITICAL PARTIES

PROGRESSIVE CONSERVATIVE PARTY—POLICY ON PEACE MOVEMENT

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Madam Speaker, on Friday last week the Mulroney Tories made it very clear through their spokesman, the Hon. Member for Yukon (Mr. Nielsen), that they are against all peaceful and democratic demonstration; they are against the peace movement.

Some Hon. Members: Oh, oh!

Mr. Ethier: Do the Mulroney Tories know that peaceful demonstration is a fundamental right in our democratic system? Is this an indication of what a Mulroney government would do if ever given a mandate to govern? Would its first move be to abolish the right of peaceful and democratic demonstration? Since the Tories are given the respected title of Her Majesty's Loyal Opposition, it seems only reasonable that their Leader make a public statement on this issue and, while making such a statement, he could tell us where he stands on such issues as capital punishment, abortion, offshore resources, upgrading the rail system in western Canada, or the metric system, for that matter.

* * *

CROWN CORPORATIONS

DOCTRINE OF MINISTERIAL RESPONSIBILITY

Mr. Gordon Taylor (Bow River): Madam Speaker, one of the fundamental principles of representative democracy is that the Minister must be responsible and accountable for actions and/or lack of actions of those in his Ministry. In other words, if a Department or corporation becomes inefficient, careless and dishonest, deliberately or otherwise, the Minister must take the responsibility.

Senator Austin, the Minister responsible for CDIC, has blamed the Corporation President, who has now resigned, for the $1.7 billion losses of Canadair and de Havilland Aircraft. The directors must share this responsibility, and the auditors' credibility is open to question, but most of all the Minister in charge must be held accountable for the gigantic loss of taxpayers' money.

Senator Austin inadvertently condemned himself when he said that the records "do not reveal the calibre of business shrewdness which we as shareholders should expect". When did the Minister reach this conclusion? What did he do about the continuing losses? Why is he hiding the facts? Even yet the commercial details of the losses have not been put on the table.

Did the Minister sit in silence, knowing that Canadair and de Havilland were spending public money like an intoxicated millionaire?

Negligence, and perhaps dishonesty, are written all over this loss of millions of dollars. I say that Senator Austin must resign and, if he does not, the people of Canada will want to know what the Prime Minister (Mr. Trudeau) will do about it.

ORAL QUESTION PERIOD

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT LEVELS—MINISTER'S FORECASTS

Hon. James A. McGrath (St. John's East): Madam Speaker, in the temporary absence of the Minister of Employment and Immigration, perhaps I will direct my question even more appropriately to the Minister of Finance. The Minister knows that unemployment in the United States is now down to 10 per cent and is expected shortly to break that double digit level. Yet, earlier this month Statistics Canada released figures showing that for ten consecutive months unemployment in Canada exceeded 12 per cent. On behalf of two million unemployed Canadians, a million of whom are now classified as long-term unemployed, I want to ask the Minister whether he is in a position to revise the very pessimistic projections in his budget where he saw double digit unemployment going beyond this decade. Can he give us any hope?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member is certainly confused in his signals. He referred to double digit inflation.

Mr. McGrath: I meant double digit unemployment.

Mr. Lalonde: He meant double digit unemployment. The forecast which the Hon. Member has read as part of the budget indicated that we would be taking unemployment down gradually during the next four years to below the double digit level referred to by the Hon. Member. But I remind him that for seven months in a row we have had increased employment in this country. At the present time there are 330,000 more people employed than last November. The recovery, according to all the information we have been receiving, seems to be taking place in an even stronger rate than we anticipated.

Certainly the Hon. Member has noticed the leading indicator of Statistics Canada which in March had its largest increase since the early 1950s. Indeed it seems to be indicating that we will have and know a very strong recovery in this country as well as in the United States. I certainly expect that as unemployment levels in the United States decline they will also decline in Canada.

PLIGHT OF UNEMPLOYED

Hon. James A. McGrath (St. John's East): Madam Speaker, my supplementary question is directed to the same Minister. The Minister knows that there are a million Canadians now who are classified as long-term unemployed. He also knows from his own statistics that unemployed heads of families have risen by 100 per cent. These are very frightening statistics, yet he talks about economic recovery.

How can the Minister stand in the House and talk about recovery when there are two million Canadians unemployed, when there are a million Canadians who are classified as long-term unemployed, and when there are a half million young people who cannot find jobs? Let him tell these people where the economic recovery is.

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member may refuse to look at the whole reality, but the facts are there for him to see that recovery is taking place strongly in the country. We have created 300,000 jobs since last November. This is a critical record compared with any industrialized country at the present time.

I remind my hon. friend that unemployment is very high in other industrialized countries at the present time. We have been going through a recession the like of which we have not seen since the Great Depression. This has been the case for all industrialized countries. A number of countries in Europe at the present time have more than 12 per cent unemployment. These are countries which historically had much lower levels of unemployment than Canada.

The Government and I are very concerned about the level of unemployment. We have announced a number of measures that were contained in the budget, in addition to those the Minister of Employment and Immigration has announced. We are spending in this country at the present time record levels in terms of support for direct employment, job training, and recycling. This is the record of the Government. We have shown our care for the unemployed in the country and not only involved ourselves in rhetoric.

STUDENT UNEMPLOYMENT

Hon. James A. McGrath (St. John's East): Madam Speaker, my supplementary question is directed to another Minister who has responsibility, the Minister of Employment and Immigration. The Minister knows that the unemployment rate for non-returning students between the ages of 20 and 24 is currently 31.6 per cent. The unemployment rate for returning students is 20.7 per cent which, I might say, is an increase of 75 per cent over two years. What hope does the Minister have for these kids out there who have no place to go but to take to the streets?

• (1420)

In the estimation of a sociologist at the University of Montreal, "Collectively we may see political riots and disturbances from a group that feels left out". Obviously they feel left

out. They are graduates with no job opportunities in what is supposed to be a land of opportunity. What is the Minister going to do? Is he going to give us more money for student employment? That is the very least he can do for these unemployed young people.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I am very glad that the Hon. Member asked a question about what we are doing because it gives me the opportunity to tell him exactly what has been put in place. We have introduced the National Training Program through which, this year alone, we will be spending about $1.2 billion for training over 300,000 people, most of whom are young people under the age of 24. In the last six months we have invested in creating an additional 15,000 training places under that program in every region of Canada.

In addition, we have also brought forward a new employment program where we will provide direct subsidies to private employers to provide on the job work experience and training for students coming out and looking for their first-time job. That program will be coming into effect on September 1. We will be making the information available at that time.

We are following through on the principle of working with other major actors in the economy, like the private employers who can help young people and can give them the hope the Hon. Member is not prepared to give them by his comments.

SUMMER EMPLOYMENT PROGRAM—REQUEST FOR INCREASED FUNDING

Hon. James A. McGrath (St. John's East): Madam Speaker, let us take the summer employment program, for example. If you take 1979 as a base year and take the rate of inflation since 1979, the Minister is actually putting in less money today to the Summer Student Employment Program than he was five years ago. These are the statistics. Is the Minister at least prepared to add more money to create more jobs in the Canada Student Employment Program?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, one of the things I should point out is that in that five-year period we went through a very serious time under the auspices of the previous Government when all of the direct employment programs were cancelled by the Conservative Government. We have had to make up for that omission ever since, by having to build new programs and put them in place. That happens to be the case. What we are doing this year for summer employment is providing job opportunities for upwards of 75,000 students across the country. We are presently engaged in a nation-wide campaign to bring on board other employers at the provincial and municipal levels, as well as private employers. We are trying to do our best, unlike Members opposite who, when they were in Government, did nothing at all.

Madam Speaker: The Hon. Member for Calgary West.

Mr. Hawkes: Madam Speaker, the Minister conveniently forgets that jobs increased by 30,000 a month in the private sector when we were in Government.

* * *

[*Translation*]

EDUCATION

CONTENT OF SCHOOL MANUALS

Mr. Jim Hawkes (Calgary West): Madam Speaker, in the absence of the Secretary of State, my question is directed to the Prime Minister. A study published today has found that most books used in Canadian schools are neither written nor published by Canadians and do not reflect a Canadian point of view. Does the same situation exist as far as francophone students are concerned, and if not, why not?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I understand the Hon. Member's interest in the subject, and I am sure that those of us on this side of the House who have children are equally concerned. However, the Hon. Member ought to know that education matters fall under provincial jurisdiction, and that especially at the level he is referring to, namely, primary and secondary schools, the Canadian Government has no authority to dictate what kind of books are to be used nor to influence their content in any way.

[*English*]

FUNDING SOUGHT FOR ENGLISH TEXTBOOKS

Mr. Jim Hawkes (Calgary West): Madam Speaker, the Prime Minister will know that under his predecessor, and carried on under his Government, a special program was produced for funding the creation of books for textbook purposes in the French language in Canada, in the late 1960s. Given the results of that study today, are the Prime Minister and his Government, some 18 years later, considering a similar program for English-speaking schools and English textbooks? It is long overdue.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the funds that the federal Government in recent years, certainly under my administration, has devoted to the area of education have been essentially for post-secondary education. It is true that we have provided funds for second language training under various programs promoted by the Secretary of State. I know of none which were directed specifically at the primary school level. I cannot recollect the program in the late 1960s to which the Hon. Member is referring. I will draw the attention of my colleague, the Secretary of State, to that program and be in a position to answer the Hon. Member when he asks the question again.

WESTERN GRAIN TRANSPORTATION ACT

IMPLEMENTATION OF CHANGES TO CROWSNEST PASS RATE—GOVERNMENT POLICY

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my question is for the Minister of Transport. The Minister will know that on a number of occasions the Government of which he is a part indicated that it believed it was in the position to proceed with the implementation of certain legislation based on the fact that the legislation had received approval in principle, in other words, that the legislation had received second reading. I want to ask him a question specifically with regard to the grain transportation Bill. Can he assure the House that the Government has no intention of implementing those clauses of the Bill dealing directly with the changes to the Crowsnest Pass freight rates in advance of that legislation having received Royal Assent?

Hon. Jean-Luc Pepin (Minister of Transport): Quite right, Madam Speaker.

INQUIRY RESPECTING POSSIBLE RETROACTIVITY OF PROVISIONS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, can the Minister likewise assure the House that, under no circumstances, will the legislation dealing with the Crowsnest Pass freight rate sections be made retroactive upon passage of the legislation and its receiving Royal Assent?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I do not think I have to give legal advice, but to the best of my knowledge it is not going to be so. We have, however, made some interim payments to the railways.

Mr. Deans: That is a different matter.

Mr. Pepin: That is a different matter. We paid money for the purchase of hopper cars. Presumably that is a different matter also. Failing exact knowledge of what my hon. friend has in mind, I cannot read his eyes yet—on other matters, yes I can. When he tries to block a Bill, I can read his eyes all right. As I was saying not knowing full well what he has in mind, I can only say that, to the best of our ability, we have no intention of breaking the law.

* * *

PUBLIC SERVICE

AVERAGE WAGE INCREASES—GOVERNMENT POSITION

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is for the Minister of Finance. It touches on a statement made by the Minister to the Canadian Manufacturer's Association recently, in which he stated:

—it would be very difficult to justify 8 per cent average increases for senior management salaries.

In fact it would be impossible to justify.

Having made that statement, will the Minister indicate to the House whether he is aware of the fact that the average increase for public servants in ten different Departments or programs that we reviewed was 17.2 per cent? In fact we find the National Capital Commission had wage increases of 18.2 per cent, DREE 18.6 per cent, and the Governor General 15.5 per cent. That is if you compare Main Estimates 1984 to Main Estimates 1983. Is the Minister aware of that and, if so, how does he justify it?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, perhaps the Hon. Member would like to be a little more precise and also a little more accurate in the way he interprets the facts. The figures he is giving have no connection with the salary increases of the persons concerned. Federal public servants have had their salary increments limited to 6 per cent for 1983 and 5 per cent for 1984. Those are the ceilings that were set. Now, if, in a department, certain positions are reclassified, and if people are promoted to other duties, or if there is an increase in the number of public servants in a specific department, obviously, the total wage bill for that department will increase more than 6 per cent, but I challenge the Hon. Member to prove that the average salary of employees working, for instance, for the National Capital Commission, has increased more than 6 per cent.

• (1430)

[*English*]

Mr. Stevens: Madam Speaker, of course I will take up that challenge.

COMPARISON OF MAIN ESTIMATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my further question to the Minister of Finance is to ask, on behalf of the people of Canada, if he would look at what is set out in the Main Estimates 1984, compare that to the salaries in the Main Estimates 1983, then divide that by the average number of employees in whatever Department he wants to look at. If he would take the time to do that I think he would find that one-quarter of the 131 Departments and programs have average incomes increasing over 10 per cent between those two Estimates. Would he look at that, and then would he come back and have the courage to tell the House that he is sorry for giving misinformation and is duly critical of the Departments concerned?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I can obviously see that the Hon. Member has already started shifting his ground. Having asked the first question in a specific way, he is now clearly changing the way he is asking the question. What happens is what I have said in French: the increases for individual civil servants are set at 6 per cent this year and 5 per cent next year. If there are other changes in salaries they are related either to promotion or changes of functions, or if the total amount—

Some Hon. Members: Oh, oh!

Mr. Epp: Now you are changing your position.

Mr. Lalonde: I can understand, for instance, that the Hon. Leader of the Opposition has enjoyed an increase in salary of more than 6 per cent this year compared to what he had before he succeeded the Right Hon. Member for Yellowhead.

Some Hon. Members: Hear, hear!

Mr. Lalonde: No one has been walking around being scandalized that he made that huge increase in the last little while. For all I know he may have a decrease before the end of the year.

One does not go around making a big show saying it is terrible that the six and five program is not respected. Situations have changed.

If the Hon. Member looks at the total levels of remuneration and the total amount of money spent on salaries, obviously it will increase by more than 6 per cent in a number of Departments. It is related to either changes in functions or the increase in the number of public servants, or both. This is quite normal and it had been foreseen. The law passed by Parliament is quite clear—6 per cent and 5 per cent, maximum. As a matter of fact my hon. friend will find that a number of individuals in the Government received less than six and five.

* * *

MEDICAL CARE

PRIME MINISTER'S COMMENTS ON INTRODUCTION OF USER FEES

Mr. Maurice Foster (Algoma): Madam Speaker, my question is directed to the Prime Minister. Given the fact that the Minister of National Health and Welfare indicated that under existing legislation she has no choice but to withhold federal funds from Provinces that adopt user fees under the medicare program, I wonder if the Prime Minister would please clarify comments attributed to him in today's press which seem to contradict the position of the Minister of National Health and Welfare on this matter?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I will be happy to do that without referring to the entire interview from which the Canadian Press seized upon an excerpt. I would say in general terms that I believe I made it clear that the Minister of National Health and Welfare is on the right track; that she is negotiating with the Provinces; that we hope that the Provinces themselves will see that it is the will of the people to preserve medicare in its integrity and its entirety, and that there will be no need for the kind of confrontation by the people that in this case the interviewer suggested.

I am convinced that the people of Canada—and I made this quite clear in the interview—are on the side of the Minister of National Health and Welfare rather than on the side of the Premier of Alberta. In the interview I said that for ideological reasons, certainly not for reasons of the poverty of that Province, he is introducing deterrent fees of one kind or another.

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CANADIAN NATIONAL RAILWAYS

NEGOTIATIONS WITH CAST SHIPPING GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I have a question for the Minister of Transport with reference to press reports late last week which indicate that Canadian National and Cast had broken off negotiations for Canadian National's takeover of Cast. I wonder if the Minister could confirm whether this is true. Also, if talks have terminated could he confirm that this means that the Canadian taxpayer will not be asked to absorb 75 per cent of the Cast debt whereas the Royal Bank of Canada, which in fact is the principal creditor, would only have to absorb 25 per cent?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, there are two things to be considered. First, I have not been notified by CN of the ending of negotiations. Consequently I gather that they are still in negotiation in some form or other. Second, I read in the papers that the banks were trying very hard to save their investment, so I put the two things together and I say wait a little while longer.

Mr. Forrestall: Madam Speaker, the sooner we lay this bogeyman to rest one way or another, the better.

BARGAINING BY CAST GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I understand from what the Minister said that he has not been formally advised by either Canadian National Railways or the Royal Bank of Canada that negotiations ought to be terminated. If that is the case, may I put the second part of my question to the Minister? It is of primary concern, notwithstanding any dispute between the Port of Halifax and the Port of Montreal in a competitive way, or a freight war which could very well flow from this. May I ask the Minister whether one of two situations exist? Is Frank Narby, the principal of Cast, applying tighter bargaining that extends beyond the Order in Council which authorized CN to enter into negotiations or, on the other hand, does this now mean that the Canadian taxpayer will not have to pick up a little bit more of the debt of the Royal Bank of Canada?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I would allow my friend to put whatever interpretation he wants on the events that are taking place now. I leave that to his freedom of thought and of expression.

The Government put in an Order in Council the terms it would accept. Between the two of us, I think the difficulties were irking earlier than that in the sense that the present owners were making difficulties before the Government issued the Order in Council. By issuing an Order in Council, the

Governor in Council indicated clearly what were the possibilities.

* * *

MEDICAL CARE

FEDERAL FUNDING—GOVERNMENT POSITION

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, my question is about the same matter as that brought up by the Hon. Member for Algoma, the conflicting messages we are getting from the Minister of National Health and Welfare and the Prime Minister vis-à-vis the federal Government's intention to withhold funds from Alberta, either under existing legislation or under any future legislation which may provide for that kind of capacity on the part of the federal Government.

My first question is directed to the Prime Minister. It seems to me that it is not good enough to say that your Minister is on the right track. I would hope you would want to say that about any of your Ministers; at least you would want to say that.

Some Hon. Members: Order.

Mr. Blaikie: Would you be more clear and indicate to the House whether, as you are reported to have done, you have ruled out the question of economic sanctions against Provinces—

Some Hon. Members: Order, order.

Mr. Blaikie: —which continue to violate national standards for medicare? Have you ruled those kinds of sanctions out?

An Hon. Member: Address the Chair.

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, may I answer the Member and confirm what I have often repeated in Canada in the last weeks, namely, that that particular decision, which would be to use the existing provision of withholding funds under legislation, has not been finalized yet by Cabinet.

As I have often said, following the basic philosophy of the Government which was so well expressed by the Prime Minister on Saturday in *Le Devoir*, if there is one case for universality in Canada, it is medicare. We are appealing to the Canadian public right now to make sure that we have understood well what we know for sure has been their wish for 20 years, namely, to strengthen medicare in the new Act, probably by introducing more adequate penalties to deal with each of the possible breaches of medicare—to strengthen it once and for all for another 20 or 30 years.

• (1440)

INTRODUCTION OF LEGISLATION

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, the Minister has indicated her intention to go beyond the penalties which are now available to her under the existing legislation, hopefully by having more flexible penalties in any new Canada Health Act. Can the Minister tell us when we are going to see the Canada Health Act when the long awaited document is going to be before us? Are we going to receive it before the end of June, as I have suggested many times in this House, so that pro medicare people would have a viable political option around which to rally? Or are we going to have to wait the Fall and have action on the erosion of medicare postponed once again?

Some Hon. Members: Order.

Mr. Blaikie: And if we are not going to receive it until the Fall, what are we going to get by the end of June—more homilies from the Minister, or are we going to get some kind of action?

Hon. Monique Bégin (Minister of National Health and Welfare): By the way, Madam Speaker, may I take the opportunity to thank the Hon. Member for his good offices. For the first time in four years one provincial Minister had the guts and the common sense, thinking he would have to be re-elected one day, to be on the side of medicare and of Canadians. I am referring, of course, to the Minister of Health and Manitoba, Mr. Laurent Desjardins. That was very welcome. In the same way, every one of the 22 million other Canadians is saying publicly that they are on the side of medicare. We believed the Provinces last May when they said they would be ready to control extra billing and user fees. Therefore, there were no requisite provisions to control user fees when suddenly the very provocative initiatives of Alberta, New Brunswick, and British Columbia are making it necessary to review the Act. As soon as it will be ready it will be presented to my colleagues first, and then the House.

FEDERAL-PROVINCIAL NEGOTIATIONS—PRIME MINISTER'S POSITION

Hon. Jake Epp (Provencher): Madam Speaker, my question is directed to the Prime Minister on the same subject. I do not believe the issue can be separated into some people or some provincial Governments not being in favour of medicare. I believe all Canadians want to see universal medicare preserved.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Epp: It being the case that obviously there are negotiations which are critical in terms of the ability of the provincial Governments, and of the taxpayer, for that matter, to sustain programs, I would like to ask the Prime Minister, as he approaches these negotiations, whether he approaches them from the point of view that the federal will must prevail, or whether he looks at these negotiations in an attempt not only

to strengthen medicare but also to establish a working relationship with the Provinces, so that the people who deliver these programs, that is, the Provinces, have the ability to bring those programs forward in a way which is also affordable.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I did not hear the last word.

Mr. Epp: Affordable.

Mr. Trudeau: Madam Speaker, I appreciate the sentiments of the Hon. Member and I hope he is right that all Canadians support medicare. That is the premise on which, I believe, the Minister of National Health and Welfare is proceeding, that Canadians want the preservation of medicare. I must respectfully disagree with the Hon. Member when the suggests that there is no Province, if I understood him well, which wants to alter medicare as it now exists. I said quite clearly, in the interview which has been referred to, that I believe there is an ideological struggle here. I believe some provincial Governments do not believe in medicare as it has existed. I believe that they are introducing the kind of user fees which might, in the mind of the Hon. Member, and in mine, provide a deterrent to the universality of the scheme. However, that is precisely what the Minister of Health and Welfare is trying to determine now.

We certainly do not see a confrontation. We certainly do not want to use any financial penalty. That is what I was telling the interviewer. We would prefer to see medicare preserved in its essence through a process of discussion. In that sense, that is why the Minister is proceeding as she is. I do hope that the Hon. Member is right in so far as his Leader is concerned, that we will hear from Mr. Mulroney very soon, saying that he also wants the preservation of medicare and that he will realize that the Premier of Alberta, for one, for ideological reasons, does not seem to agree with the concept of medicare now.

Some Hon. Members: Hear, hear!

* * *

CANADIAN ARMED FORCES

REQUEST FOR RESTORATION OF ARMY, NAVY AND AIR FORCE UNIFORMS

Mr. Ron Stewart (Simcoe South): Madam Speaker, my question is directed to the Minister of National Defence. The Minister will know the debacle which our Navy is in by reading the recent Senate report. He also is quite aware of the report which we completed on the reserve army and its complete and total lack of necessary equipment. He also is aware of the Fyffe Report, which stated categorically that the morale of the forces was low and that one of the easiest ways to put that morale back in place was to return to three distinctive uniforms. Would the Minister comment on whether or not he is recommending such a switch?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I believe the subject has been raised quite often by my own Department, of course, and by individuals from the Air Force, Navy, and even the Army. My answer has always been that, despite the fact that this could well be desirable, in one way or another I feel what is more desirable for the armed forces is the re-equipment program which was started a few years back in order to provide members of the Forces with better planes, better ships, better tanks, and better weapons with which to fight with. After that we could possibly discuss uniforms.

SUGGESTION FORCES BE POLLED ON ISSUE OF UNIFORMS

Mr. Ron Stewart (Simcoe South): Madam Speaker, my supplementary question is directed to the same Minister. Is the Minister going to recommend to Cabinet an extra $550 million in defence spending over the next few years as suggested by the Senate? Also, will he not use the Queen's Regulations to interfere, but instead allow a questionnaire to go to members of the Armed Forces concerning whether or not they would like to see a return to three distinctive uniforms?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I do not feel I can stop any Hon. Members from questioning their constituents on whatever they want. However, I am sure it would be a useless exercise to ask members of the Armed Forces if they would prefer the different uniforms because I know very well what the answer will be before the petition is sent.

Mr. Blenkarn: Yes.

Mr. Lamontagne: They would like to have different uniforms. However, at the same time they should be asked if they want us to spend millions of dollars for three different uniforms or spend hundreds of millions of dollars for better equipment and weapons to fight with. I would say, as an ex-military man, give me the tools to do the job, and the uniform can be dealt with after that.

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REGIONAL DEVELOPMENT

NEGOTIATION OF FEDERAL-PROVINCIAL AGREEMENTS

Hon. J. Robert Howie (York-Sunbury): Madam Speaker, my question is directed to the Minister of State for Economic Development. In view of the fact that all development agreements and subsidiary agreements, except one, between Canada and New Brunswick, will expire this year, will the Minister tell the House if negotiations are now under way for their renewal or replacement, and when might we expect some results?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Yes, Madam Speaker, negotiations have in fact begun with a number of Provinces toward concluding new economic and regional development agreements which will come into effect at the expiration of the general development agreements in 1984. There is a tentative date scheduled for negotiations

with the Province of New Brunswick. However, the Province of New Brunswick has not yet had the opportunity of having formal negotiations on that subject, although the regional Minister and I did meet with the Premier and his officials sometime before Christmas, as I recall, in a preliminary way to discuss the timetable for such negotiations.

URGENCY OF SECURING AGREEMENT WITH NEW BRUNSWICK—MINISTER'S POSITION

Hon. J. Robert Howie (York-Sunbury): Madam Speaker, I thank the Minister for his answer. The Minister will appreciate the obvious advantage of common development goals between the federal Government and the provincial Governments. Will the Minister tell the House what, if any, joint federal-provincial development agreements he has announced with New Brunswick since assuming his present portfolio some 18 months ago? Will he discuss the urgency of this matter with his officials?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, the negotiations with the Provinces, of course, are ongoing on many fronts between the various sectoral Ministers. However, the economic and regional development agreement, the framework agreement itself, as I indicated, will be entered into, hopefully before the end of this year, with luck, and pursuant to that I would hope that a number of initiatives would be brought forward by the sectoral Ministers for implementation in the very near future.

* * *

AIR CANADA

REQUEST FOR IN-FLIGHT BAN ON SMOKING

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is for the Minister of Transport and it relates to the disastrous Air Canada flight out of Texas where in excess of 20 lives were lost, and the subsequent fire on a flight to Bermuda allegedly caused by a deportee, in the lavatory of that aircraft. Notwithstanding the question of fire retardant material, has the Minister of Transport, together with his colleague, the Minister of Health, considered an over-all policy of banning smoking, if not on all flights at least on short-haul flights or those of less than two hours' duration? Has the Minister given this matter serious consideration in order to protect the lives of the travelling public?

• (1450)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I already answered the question some ten days ago, if I recall. I exposed myself to some chastisement by saying that smoking was still socially acceptable. I had some correspondence on the subject from people who told me that it was not. Be that as it may, the situation now in airplanes is that there are non-smoking and smoking areas, which implies that smoking is permitted. I am aware of a study that the Minister of National Health and Welfare is also involved in, having to do with smoking in general in public places, but it does not have anything to do with security in the air.

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INDIAN AFFAIRS

MANITOBA CHIEFS' CONTROL OVER EXPENDITURES ON RESERVES

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of Indian Affairs and is in relation to the attempt by the All Chiefs Budget Committee from the Province of Manitoba to reach a memorandum of agreement with him and his officials. For the last 18 months the chiefs have been trying to come to an agreement with the Minister to give them more control over budgetary expenditures on their reserves. Can the Minister tell us when he will stop stalling and sign an agreement with the chiefs?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, it is not a question of stalling. We are very close to an agreement. There is really only one impediment. They want a type of wording that the law officers of the Crown say would not be legal under our financial administration procedures and law here in Parliament. Subject to that, we are very close indeed.

May I also say that I am meeting with David Ahenakew, the head of the AFN, here in Ottawa this afternoon and we may adopt a type of umbrella agreement, somewhat modelled on the Manitoba agreement, to apply nationally. So I am hopeful it will be worked out very soon.

SIGNING OF AGREEMENT

Mr. Rod Murphy (Churchill): Madam Speaker, the Minister knows that the Assembly of First Nations have supported the Manitoba chiefs. They want that agreement signed, and the Minister has been telling those chiefs for over a year now that it would be signed soon. He has been saying that his Department officials should not be interfering with the process of Indian self-government. Again, when is the agreement going to be signed? If the Minister cannot say when, can he explain exactly to this House why he feels it cannot be signed?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, I must reiterate that the Hon. Member's premise is totally incorrect. I have indicated to the Manitoba chiefs what I am prepared to sign. I think that captures completely the spirit of what they want. I do not wish to interfere in any way with their aspirations for Indian self-government; that is the objective. That is why the Government gave the widest possible mandate, one that was supported by the Hon. Member's Party, to the Standing Committee, without any restriction at all, so that we could come to a report on which we could base Indian self-government as soon as possible. It is just that some of the wording which I believe some of the chiefs in the Manitoba group wish

to persist in simply cannot be provided on the basis of the independent legal advice I have received. If we could iron that out, we could sign any day.

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EXTERNAL AFFAIRS

NICARAGUA—FATE OF JEWISH COMMUNITY

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, my question is directed to the Secretary of State for External Affairs and relates to the state of the Jewish community in Nicaragua under the Sandinista Regime. Has the Minister received the same information about the fate of that community as is available to me, namely, that it is being exterminated by the Sandinistas? The president of the Jewish Association is in jail; those who are out of the country are being refused re-entry permits, their lands are being confiscated, and the synagogue has been converted into a child daycare centre.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I have not received the information which the Hon. Member has mentioned. He has stated a series of facts which, if true, are certainly a cause for concern. I will check into the matter as quickly as possible.

Mr. Munro (Esquimalt-Saanich): Madam Speaker, I would appreciate if the Minister would check into the facts. We do have an ambassador in the area and I hope he is still persona grata in Nicaragua.

REQUEST THAT GOVERNMENT LODGE PROTEST

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, I understand that all Jews in Nicaragua are under the ban. They are either out of the country and not being allowed back in, or they are being harassed and their property confiscated while they are there, or they are being thrown in jail. Will the Minister also consider the notion of making a very firm protest to the Nicaraguans about their handling of this particular community in Nicaragua?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, as I said, I will request immediate information on the points made by the Hon. Member, and indeed I will follow up with the appropriate action.

* * *

FREEDOM OF INFORMATION

EXEMPTION OF GOVERNMENT INFORMATION BANKS

Mr. David Orlikow (Winnipeg North): Madam Speaker, I would like to direct a question to the Solicitor General. I understand that Cabinet, through an Order in Council, has exempted a total of 19 information banks from the provisions of the new access to information legislation. The Solicitor General's Department apparently controls five of these information banks which have been classified as exempt. We have learned in recent weeks that thousands of Canadians in the peace movement have been the subject of surveillance and that some citizens are indeed the object of, and I quote, "permanent wire taps and electronic surveillance". Will the Minister tell this House whether the information now being gathered on individuals in the peace movement is going into those exempt information banks?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I can certainly contradict, with my knowledge and the reports I have from the Security Service, the suggestion that thousands of Canadians are under surveillance because they belong to the peace movement. That is false, and I have indicated before that that is false.

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HATE LITERATURE

DISTRIBUTION IN OLDS, ALTA.

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, my question is directed to the Minister of Justice who will be aware that hate literature has been distributed in Olds, Alberta, by the Nationalist Party of Toronto. Over the weekend it was indicated that this Party intends to distribute more such literature in the cities of Edmonton and Calgary. Will the Minister tell us what, if anything, he intends to do about it?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I am not familiar with the incident to which my hon. friend refers. But, given the way he describes it, I would not understand why this would not be a matter for enforcement by the Attorneys General of the various Provinces. That is the normal course of such prosecutions, and he has said nothing to indicate this situation is exceptional in that regard.

NATIONALIST PARTY OF CANADA

Mr. David Kilgour (Edmonton-Strathcona): Madam Speaker, will the Minister tell us if the Nationalist Party of Canada, a neo-Nazi Party, is legal and registered under the laws of Canada or the Provinces, and whether the Government contemplates any legislation to make it illegal for neo-Nazi Parties to operate in this country?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, we do not normally proscribe any groups in this country on the basis of their name. I am not sure that under the requirements of the Charter it would be possible to take such an approach. But we do have laws which provide that certain kinds of activity on the part of people who stir up hatred or other forms of a breach of the peace can be prosecuted according to the normal way, in actions brought by the Attorneys General of the Provinces.

With respect to registration, I would not know about that. I guess that would come under the President of the Privy Council who is responsible for the electoral law.

* * *

• (1500)

PETITIONS

MR. DEANS—REQUEST FOR EXTENSION OF UNEMPLOYMENT INSURANCE BENEFITS

Madam Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Hamilton Mountain (Mr. Deans) meets the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. YOUNG—SAFE DRINKING WATER

Mr. Neil Young (Beaches): Madam Speaker, this petition of the undersigned residents of the Province of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, humbly sheweth that toxic chemicals are posing an increasing threat to the potable waters of their Province, that there is presently no legislation which will guarantee the safety and healthfulness of those waters, and that Canada's neighbour, the United States of America, has legislation entitled "The Safe Drinking Water Act of 1974".

Wherefore we, the undersigned, hymbly pray and call upon Parliament to enact a safe drinking water act which will protect and enhance drinking water quality in all areas of Canada.

MR. PARKER—RURAL MAIL SERVICE

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, I am pleased to present a petition on behalf of a large number of citizens in the area of Trout Lake, Beaton and Galena Bay in the Province of British Columbia who face the loss of local rural box service for mail. The residents of these areas will now have to make a round trip of as much as 40 miles to get their mail through an area where winter traffic is often difficult or impossible because of road and weather conditions.

Wherefore the undersigned, your petitioners, humbly pray and call upon this House to take whatever steps are necessary to ensure continued rural mail service for the British Columbia communities of Trout Lake, Beaton, Galena Bay and, by so doing, avoid imposing unreasonable travel requirements and the danger of winter roads on these people. And as in duty bound your petitioners will ever pray.

MS. McDONALD—BROADCASTING REGULATION

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, I would like to present the petition of the undersigned constituents of the riding of Broadview-Greenwood, in the Province of Ontario, and other concerned citizens mostly from other parts of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that the Canadian Radio-Television and Telecommunications Commission broadcasting regulations do not extend to women the same protection against abusive comment or abusive pictorial representation as now exists for racial and religious groups; that the concerns of citizens have been recently heightened, not only by the so-called adult programming on pay televison, but also by the proliferation of pornography in various media; that the degradation and exploitation of women, children and men through pornography is abhorrent to all people; that the Minister of Communications has been willing to empower the CRTC to regulate broadcasting to ensure Canadian content, but has yet to intervene to assure the protection of women against this abuse, that it is Parliament's responsibility, as provided for in the—

Madam Speaker: Order, please. The Hon. Member is arguing. At any rate, the enunciation of the petition is quite too long for what is admissible in the House. I would ask the Hon. Member to go to the prayer, because we know what the petition is about. It is sufficient to give the title of the petition and then go to the prayer.

Ms. McDonald: Madam Speaker, with the above in mind, the petitioners humbly pray and call upon Parliament to demonstrate its opposition to the denigration of women by enacting an Act to amend the Broadcasting Act as introduced by myself on March 8, 1983; and as in duty bound your petitioners will ever pray.

MR. SKELLY—ABSENTEE VOTING

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I also have the honour to present a petition to the House from residents of Surrey, Delta, White Rock and Richmond, who find that under the Canadian Constitution every citizen is guaranteed the right to vote, yet there are many occupational groups which are deprived of it because of a lack of an absentee voting procedure in the Elections Act of Canada. Your petitioners would humbly pray that the House of Commons direct the Chief Electoral Officer to present to the House of Commons a proposal which will allow Canadian citizens who are away from their normal polling locations an opportunity to vote directly by absentee ballot.

Petitions

RETENTION OF CROWSNEST PASS RATE

Mr. Laverne Lewycky (Dauphin-Swan River): Madam Speaker, this petition is addressed to the Honourable House of Commons of Canada in Parliament assembled. These petitioners from Kelwood indicate that the changing of the Crow rate will reduce farm incomes, contribute to the breaking up of communities on branch lines and increase trucking and road costs. Your petitioners humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by statute. And as in duty bound your petitioners will ever pray.

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, it is my honour and duty to present to the House of Commons here assembled a petition on behalf of the undersigned residents of the Province of Saskatchewan from the community of Domremy, which is in my home constituency. They express the fact that the change in the Crow rates will affect their community by $672,000 in losses per year if the higher rates are put into effect.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by statute. And as in duty bound your petitioners will ever pray.

MR. MANLY—PROPOSED SECURITY SERVICE

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, I have the honour and duty to present a petition to the House of Commons in Parliament assembled. The petition of the undersigned citizens of Canada, who avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that any security service set up by the Government of Canada follow the rule of law and not have broad powers to infiltrate and disrupt legitimate organizations and associations.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to enact legislation based on the principles of freedom and human rights. And as in duty bound your petitioners will ever pray.

MR. ALTHOUSE—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, I would like to present to the House of Commons in Parliament assembled a petition from the undersigned residents from the town of Watson in the Province of Saskatchewan, who now exercise their right to present a grievance and humbly sheweth that we should do everything in our power to prevent Cruise missile testing and that we call upon the Government to refuse to test the Cruise in our country. Your petitioners, as in duty bound, will ever pray.

RETENTION OF CROWSNEST PASS RATE

Mr. Bob Ogle (Saskatoon East): Madam Speaker, I have a petition to present to the Honourable House of Commons in Parliament assembled. It is from the citizens of the towns of Rosetown and Dinsmore, Saskatchewan. Because of the high cost and the change which the Crow rate will bring into their lives, they have signed this petition. The undersigned petitioners humbly pray and call upon Parliament to maintain the present statutory grain Crow rate. And as in duty bound your petitioners will ever pray.

Mr. Rod Murphy (Churchill): Madam Speaker, I have the honour and duty to present a petition signed by several residents of the Province of Alberta, especially the residents of the communities of Rocky Mountain House and Leslieville. In their petition the petitioners ask that the removal of the Crow rate will see its replacement by rates which will impose higher freight rates of 5.1 times the present Crow rate, and higher by 1990; that such increases are being imposed at a time when wheat prices for producers are now at 1974 levels. Detailed calculations show that the rate of 5.1 times the present Crow rate will cost the community of Leslieville $161,100 in payments for grain freight which otherwise would have stayed in that community, based on the actual deliveries in the 1980-81 crop year.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate as presently guaranteed by statute.

Mr. Les Benjamin (Regina West): Madam Speaker, I received a petition on June 14 addressed to the Hon. Members of the House of Commons. The petitioners, the undersigned residents of the Province of Manitoba, now exercise their right to present a grievance and humbly sheweth as follows. The Crow rate is an important benefit to western Canada, one of the earliest incentives granted to settlers; that a change in the Crow rate will reduce farm incomes, contributing to the breaking of communities on branch lines and increasing trucking and road costs; and three royal commissions have recommended the retention of the Crow rate.

• (1510)

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by statute. It is signed by 20 people from Erickson, Manitoba.

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I also have the honour to present a petition to the House from residents of Victoria, British Columbia, stretching up the coast to Prince Rupert and including communities such as Sointula on the mainland delta, North Vancouver, Vancouver, Burnaby and Richmond. The petition, extensively signed by individuals, asks that the Government of Canada consider implementing a

marine industrial strategy because of the thousands of jobs and billions of dollars which are being lost offshore.

They are also extremely concerned that the federal Government has not implemented the law backing the new shipbuilding policy and these individuals are certainly concerned about the failure of the Government of Canada to develop a regional distribution of the new frigate program which would put the construction of two in British Columbia, two in central Canada and two in Atlantic Canada.

Wherefore your petitioners humbly pray that the Government of Canada be encouraged to implement immediately a sensible and effective maritime policy that will result in the creation of a Canadian merchant marine and the expansion of the Canadian shipbuilding policy and allied industries in spite of the Conservative opposition to such excellent proposals.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATE

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, it is my duty and privilege to present to the House of Commons this afternoon in Parliament assembled a petition of the undersigned residents of Canada, mostly from the Aneroid area and incidentally mostly members of the Saskatchewan Wheat Pool, who now exercise their right to present a grievance.

They humbly sheweth that western Canadian farmers paid $131 million to move export grain under the Crow freight rate in the 1981-82 crop year. This grain, in turn, contributed $6.3 billion to the balance of trade, that the undersigned believe that this is the farmers' fair contribution to the Canadian economy and that western farmers will pay one times Crow, which is no change.

Wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory Crow rate. And as in duty bound your petitioners will ever pray.

MR. MANLY—EMPLOYMENT PROGRAMS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, I have the honour and duty to present the petition of the undersigned citizens of Canada who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will thereby provide a remedy. They humbly sheweth that the NEED Program not be used in a manner which allows the Government to substitute long-term regular employment positions for temporary and low paid jobs under the make-work program.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to provide proper employment programs and not allow job substitution under the NEED Program to continue. And in duty bound your petitioners will ever pray.

MR. BENJAMIN—RETENTION OF CROWSNEST PASS RATE

Mr. Les Benjamin (Regina West): Madam Speaker, I have the honour and duty to present a petition which I do so in all modesty. The petition contains 30 names of citizens from Ottawa, Edberg, Camrose, Bashaw, Peace River, Nampa and Red Deer, Alberta. They have carefully considered the alternative plan presented by the NDP caucus, by Les Benjamin, M.P. for Regina West, and urge the Parliament of Canada to adopt its provisions in order that the statutory Crowsnest Pass freight rate may be maintained and that the railways of all of Canada may be upgraded and developed into a modern and efficient transportation system.

All undersigned petitioners humbly pray and call upon Parliament to adopt the provisions of the NDP alternative plan in order that the statutory Crowsnest Pass freight rate may be maintained and that the railways of all of Canada may be upgraded and developed into a modern and efficient transportation system.

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the honour to present another petition.

[*Translation*]

To the Honourable the House of Commons of Canada, in Parliament assembled.

The petition of the undersigned residents of Canada who avail themselves of their ancient and undoubted rights thus to present a grievance common to all petitioners in the certain assurance that your Honourable House will thereby find a remedy.

Humbly sheweth that

Canadians have been deprived of billions of jobs and billions of dollars worth of industrial spin-offs because we do not have a marine industrial strategy.

And that the federal Government has neglected to provide Canada with a consistent marine policy, although it promised, more than twelve years ago, to develop such a policy.

[*English*]

The petitioners who have signed this petition from the community of Sept Iles in the Province of Quebec would ask that the Parliament of Canada implement a Canadian marine industrial strategy so that they may realize the full potential of employment benefits within this industrial field.

[*Translation*]

RETENTION OF CROWSNEST PASS RATE

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I would like to present a petition.

The petition of the undersigned residents of Canada who now avail themselves of their ancient and undoubted rights—

there are not two but thirty-eight petitions here, even from Quebecers—

Humbly sheweth that

Whereas Western Canadian farmers paid $131 million to move export grain under the Crow freight rate in the 1981-1982 crop year.

That this grain in turn contributed $6.3 billion to Canada balance of trade.

Whereas the undersigned believe that this is the farmers' fair contribution to Canadian economy.

And whereas Western Canadian farmers will not pay more than one times Crow.

Wherefore the undersigned humbly pray and call upon Parliament to maintain the present grain Crow rate.

And as in duty bound, your petitioners will ever pray.

As I mentioned before, the petition was signed by more than thirty-eight people.

[*English*]

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, I have a petition from residents of the Vegreville area in Alberta who exercise their right to present a grievance and humbly sheweth that the removal of the Crow rate will see its replacement by rates that will impose higher freight costs of five times the present Crow rate and higher by 1990, that such increases are being imposed at a time when prices for producers' grains are now at 1974 levels and that detailed calculations show that a rate of 5.1 times the Crow rate will cost the community of Vegreville $1,489,500 in payments for grain freight that would have otherwise stayed in that community, based on the actual deliveries that took place in 1980-81.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the Crow rate in perpetuity as presently guaranteed by statute.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have another petition signed by the residents of the Shaunavon-Gull Lake area, almost all of whom are Members of the Saskatchewan Wheat Pool. They call upon this Parliament assembled and now exercise their right to present a grievance and humbly sheweth that western Canadian farmers paid $131 million to move export grain under the Crow rate in 1981-82 crop year. This grain, in turn, contributed $6.3 billion to the balance of trade and the undersigned believe that this is the farmers' fair contribution to the Canadian economy and that the western farmers will pay one times Crow, which is no change.

• (1520)

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory grain rate. And as in duty bound your petitioners will ever and forever pray.

Mr. Bob Ogle (Saskatoon East): Madam Speaker, I have a petition from the citizens of Saskatoon to the Honourable the House of Commons in Parliament assembled. The petition of the undersigned residents of Canada now exercise their right to present a grievance. Mr. Justice Emmett Hall and his commission carefully studied the railroad situation in western Canada and indicated that the western Canadian economy is based on statutory grain rates, commonly known as the Crow rate.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory grain rate. And as in duty bound your petitioners will ever and forever pray.

MR. BENJAMIN—RAIL SERVICE TO NORTHERN ONTARIO

Mr. Les Benjamin (Regina West): Madam Speaker, I have a different petition. It is to the Honourable the House of Commons of Canada in Parliament assembled. The petition of the undersigned residents of Canada who now exercise their right to present a grievance humbly sheweth that people in northern Ontario sometimes have to wait in unheated shelters in the wintertime for trains that are as much as four hours late.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to urge the Government of Canada to provide a modern and adequate rail service for which your petitioners will ever and forever humbly pray.

MR. MANLY—RETENTION OF CROWSNEST PASS RATE

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, I have the honour and duty to present a petition from residents of several small towns in Saskatchewan, most of them farmers, many of them Wheat Pool members, to the Honourable the House of Commons in Parliament assembled. The undersigned residents of Canada who now exercise their right to present a grievance humbly sheweth that western Canadian farmers paid $131 million to move export grain under the Crow freight rate in the 1981-82 crop year; that this grain, in turn, contributed $6.3 billion to the balance of trade; that the undersigned believe this is the farmers' fair contribution to the Canadian economy, and that western farmers will pay one times the Crow rate, that is no change.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory grain Crow rate. And as in duty bound your petitioners will ever pray.

MR. HOVDEBO—ACCESSIBILITY OF TELECOMMUNICATIONS

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, it is my honour and duty to present to the House of Commons in Parliament assembled a petition of the undersigned residents of the Province of Ontario, who now exercise the right to

present a grievance and humbly sheweth that whereas Members of Parliament are proud of the new Charter of Rights and the protection it provides handicapped persons; and whereas the recent CRTC decision denies the request that all telephones be hearing aid compatible and therefore acceptable to handicapped persons; and whereas this decision gives no commitment to modify eventually existing or all new phones for hearing aid adaptability; wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to make a clear commitment to render our telecommunication system equally accessible to all Canadians.

MR. MURPHY—CANADA LABOUR CODE

Mr. Rod Murphy (Churchill): Madam Speaker, I have a petition signed by residents of Canada. In their petition they talk about the very sad fact that Public Service employees of the federal Government are not protected by the provisions of the Canada Labour Code when it comes to health and safety legislation. Therefore, your petitioners humbly pray that the federal Government will enact legislation that will place public government workers under the jurisdiction of Part IV of the Canada Labour Code and hope that this legislation will be enacted soon and will be much stronger than the existing legislation in protecting the rights of government workers.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATE

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have a petition signed by residents of Saskatchewan from the communities of Kyle and White Bear. The petition of the undersigned residents of the Province of Saskatchewan, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that the undersigned have carefully considered the alternative plan presented by the New Democratic Party and that the Crow rate must be maintained and the railways of all Canada upgraded and developed into a modern and efficient transportation system. Wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to adopt the provisions of the New Democratic Party alternative plan which will not change the Crowsnest Pass freight rate. And as in duty bound your petitioners ever pray.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I move, seconded by the Minister of National Revenue (Mr. Bussières):

That this House proceed immediately to Orders of the Day.

Madam Speaker: The House has heard the motion. 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 yeas have it.

Some Hon. Members: On division.

Motion (Mr. Pinard) agreed to on division.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Transport.

Madam Speaker: I would now like to rule on the point of order raised by the Hon. Member for Hamilton-Mountain (Mr. Deans) before we entered into the debate. I have to tell him concerning this point of order that nowhere in our practice or precedents can I find any support for the Hon. Member's arguments. A bill may be objectionable to certain Hon. Members on account of its contents or scope but this does not make it procedurally unacceptable.

The citations used by the Hon. Member in presenting his argument do not sustain the point he was trying to make. He quoted from page 380 of Erskine May's Nineteenth Edition on the matter of complicated questions—and I emphasize the word "questions"—and for the sake of the record I will read the entire paragraph from which the Hon. Member quoted:

> The ancient rule that when a complicated question is proposed to the House, the House may order such question to be divided, has been variously interpreted at different periods. Originally the division of such question appears to have required an order of the House, and in 1770 a motion 'That it is the rule of this House, that a complicated question which prevents any Member from giving his free assent or dissent to any part thereof ought, if required, to be divided,' was negatived on a division. As late as 1883 it was generally held that an individual Member had no right to insist upon the division of a complicated question. In 1888, however, the Speaker ruled that two propositions which were then before the House in one motion could be taken separately if any Member objected to their being taken together. Although this ruling does not appear to have been based on any previous decision, it has since remained unchanllenged. A complicated question can, however, only be divided if each part is capable of standing on its own.

This paragraph is contained in a chapter which is entitled "The Process of debate, by motion, question and decision". If one examines the context of the quotation selected by the Hon. Member, it is clear that it does not refer to the content and scope of bills. The chapter deals, as the title implies, with the various forms that motions can take, the rules relating to them and the putting of the question on a motion by the Chair and precedents in our own Parliament are to that effect as well. A

citation relating to motions and questions does not apply necessarily to bills.

The Hon. Member also referred to comments made by two former Speakers when ruling on similar bills. He quoted a comment by Mr. Speaker Lamoureux in the course of a ruling he gave on January 26, 1971, concerning a bill respecting the organization of the Government of Canada:

> There must be a point where we go beyond what is acceptable from a strictly paliamentary standpoint.

He did not, however, quote what Speaker Lamoureux went on to say later on in the ruling:

• (1530)

> Having said this, I would have to rule—if I must rule—that the Government has followed the practice that has been accepted in the past, rightly or wrongly, but that we may have reached the point where we are going too far and that omnibus bills seek to take in too much. All Hon. Members should be alerted to this difficulty of which the Chair is fully conscious.

Therefore, contrary to the impression left by the Hon. Member for Hamilton Mountain, Speaker Lamoureux ruled the bill in order.

The Hon. Member also referred to the concern expressed by Mr. Speaker Jerome in a ruling of May 11, 1977, concerning a Bill to amend the Criminal Code. While expressing sympathy with the point of order which had been raised, the Speaker nevertheless ruled:

> However, I certainly am bound by the clear language of our precedent rulings and previous practices to reject the point of order—

Thus, although some occupants of the Chair have expressed concern about the practice of incorporating several distinct principles in a single bill, they have consistently found that such bills are procedurally in order and properly before the House. In addition to the rulings cited above, there were others rendered on January 23, 1969, on May 6, 1971, and on March 2, 1982, which are also relevant and consistent with the precedents already referred to. Bill C-155 is therefore properly before the House and the Chair cannot intervene at this time as the Hon. Member has suggested.

It is now incumbent upon the Chair to put the previous question to a vote.

Mr. Deans: Madam Speaker, I rise on a point of order. I would ask whether it was in order for the Chair even to receive the motion, given that the Chair already had a question with which to deal relating directly to a matter, the outcome of which the Hon. Member making the motion was attempting to influence. I would suggest at this point that the motion was put before the Chair inappropriately and that the Chair does not have the motion in the proper form.

If it is the Government's desire to invoke closure in this way, the Government will have to wait its turn, until it legitimately has the floor to move such a motion. The motion could not be accepted by the Chair since the Chair at that point was deliberating on a ruling and had not yet given its decision.

Madam Speaker: The motion has been properly proposed by the Hon. Member for Rosemont (Mr. Lachance); it is in order. Before the House is a certain discussion which the previous question will allow us to deal with in a certain way. The previous question is a legitimate motion. It was properly before the House and it is now the duty of the Speaker to propose the motion to the House.

[*Translation*]

Mr. Claude-André Lachance (Rosemont) moved:

> That the question now be put.

[*English*]

Mr. Lewis: Madam Speaker, I rise on a point of order. This is a debatable motion under the Standing Orders. I would point out to the Chair that our research shows that the last time this was used by the Government was in 1955. It is closure by any other name; it smacks of closure. It is a cheap way of bringing in closure.

I suggest that under Standing Order 36(1) the motion is debatable. I refer the Chair to Citation 417 on page 151 of Beauchesne's Fifth Edition, at which point Beauchesne differentiates between amendments and superseding motions. Citation 417(2)(b)(i) refers to the previous question. It is very clear that the motion is debatable. The question under our rules now becomes for how long it is debatable.

Mr. Pinard: Unlimited.

Mr. Lewis: Unlimited is fine; we will get to unlimited in a minute. The point is that under Standing Order 35(1) specific rules are laid out for the debate of motions. If this is truly a superseding motion, not an amendment, then I submit the length of speeches in debating the motion should be 20 minutes plus a ten-minute question period.

In putting this point of order to the Chair, I suggest that the Chair is breaking new ground in making this ruling. If ever there was a case for giving Hon. Members an opportunity to debate a motion—and this is a motion—surely it is this one. Closure cuts off debate and it cuts off amendment. Surely at this point the Chair should come down on the side of Hon. Members of the House of Commons and give them the freedom to express themselves in 20-minutes speeches and ten-minute question periods rather than the ten-minute shots which the Hon. Member for Rosemont (Mr. Lachance) and the Government would like as they cut off debate on this very important subject.

I urge the Chair to find that under Standing Order 35(1) this is truly a motion, not an amendment, and therefore the rules for the debate of motions should apply, that is, speeches should be 20 minutes long followed by ten-minute question periods.

Mr. Pinard: Madam Speaker, concerning the fact that the motion is debatable, no one is arguing with the Hon. Member. We asked for the question to be put because no one was rising to be recognized. We accept that the motion is fully debatable; that is clear under the Standing Orders.

[*Translation*]

Second, when he says that this motion is a motion of closure, he is entirely mistaken. I would invite my learned friend to read Standing Order 65 and Citation 452 and following of Beauchesne's Fifth Edition, where it clearly says that once the motion is proposed, the debate may continue on the original question, which is the motion for second reading. Since we are now debating the second reading stage, a time limit on speeches is provided under Standing Order 35(2). In any event, the same principle applies when debating an amendment to the main question on second reading. We have just had a very clear example of this. A motion was proposed by the New Democratic Party Members to postpone adoption of the second reading stage for six months. The amendment in question was debated for many days in the House, and speeches were limited to ten minutes because Standing Order 35(2) applies to the second reading stage, and not to the amendment or the main question—it covers everything, consequently, the previous question. Madam Speaker, perhaps I may refer you once again to Beauchesne's Fifth Edition, page 157, Citation 452(1), and I quote:

The previous question is moved when the original question is under debate—

That is settled, despite objections from the Members opposite. The Chair has just ruled on the question. The Citation goes on to say:

—in order to—

That is the important part.

—in order to force a direct vote on it, thereby preventing any amendments to the original question to be proposed.

So this is the original question which is now being debated simultaneously with the motion, and the debate is on the second reading stage of the bill, whence the requirement for continuing our ten-minute speeches. Perhaps I may also refer the Chair to Citation 453, which says, and I quote:

Members who have spoken to the main motion or amendments may speak again to the previous question.

That is exactly the point I have just been trying to make. All Members who have already spoken to the main motion or amendments may speak again to the previous question, because the debate is on the second reading stage, and consequently, there is a ten-minute time limit on speeches. I agree with the Hon. Member for Simcoe North (Mr. Lewis), when he says that a motion is debatable. If they have anything to say, let them seek to be recognized by the Chair. No one is questioning that, but I disagree when the Hon. Member claims this is a motion of closure. It is no such thing. It is a sensible motion that allows debate on the main motion and prevents any amendments from being proposed. This means that even Hon. Members who have spoken up to now may all speak again to the second reading stage of the Bill. Third, as far as a time on speeches is concerned, since we are at the second reading stage, there is no doubt that Standing Order 35(2) must apply and that speeches must be limited to ten minutes.

[*English*]

Mr. Deans: Madam Speaker, you have an interesting point before you; it is one that I spent some time on over lunch trying to determine whether or not speeches would proceed under the ten-minute rule. I would like to suggest that they should not. In fact, the time limit for debate as set out in the various Standing Orders detailing length of speeches also applies to the previous question.

• (1540)

I suggest, therefore, that when the previous question was moved, the time limits for debate start from the time of moving the previous question. Upon moving the previous question, the fact that the time limits as set out in the various Standing Orders apply means that you must go back to the beginning and apply them to the question that is before the House. The debate does not continue in the same way that it would if the motion were a motion of substance.

This is one of three potential closure motions or closure of debate motions. You can have a straight closure motion which would be subject to certain rules of debate; you can have a time allocation motion which is subject to certain rules of debate; and you can have this motion on the previous question which is subject to certain rules of debate. The rules of debate in the two previous situations are set out clearly in the Standing Orders. The rules for this motion are set out equally clearly in the Standing Orders inasmuch as the time limits for all other debates become applicable to this debate when it is moved to deal with the subject being dealt with under one of the Standing Orders in the House of Commons for debating purposes.

If the Government had moved closure, then the time limits are clearly set out as to the length of time debate would be permitted on that particular motion. The end result would be a vote on the bill. If the Government were to move time allocation, the length of time permitted is clearly set out and at the end the vote would be taken and a disposition of the Bill made at that stage. In this case it says that whatever Standing Order is applicable—and in this case we are talking about second reading stage—the time limits under the Standing Order become the time limits applicable for the motion to move the previous question.

I suggest, therefore, that at the time the motion is put the time limits become applicable based on the way they are written in the Standing Orders. In the Standing Orders the time limits are, one, that the Leader of the Opposition and the Leader of the Government have indefinite time; and two, that Members speaking in the first eight hours of the debate have 20 minutes and thereafter Members speaking beyond that point have ten minutes each. I suggest now that that is the Standing Order in terms of time limits that we are working under and that we should begin by accepting that the Leader of the Government and the Leader of the Official Opposition have unlimited time; that any Member during the first eight hours of debate has 20 minutes; and any Member speaking thereafter is permitted ten minutes. I would urge upon you

that any other ruling would clearly not permit the Standing Order as it is written to be put into force.

[*Translation*]

Madam Speaker: The Hon. Member for Simcoe North (Mr. Lewis) is right. The motion on the previous question is debatable and probably will be debated. However, it is not up to the Chair to decide.

My next comment is that the motion on the previous question is not closure, because after the House votes on the previous question, the debate on the main question will, of course, be resumed. When the previous question is put, this is done only in order to prevent the proposal of new amendments and to ensure that the debate continues on the main question.

As for the last question put to the Chair, namely, what time limits apply in the circumstances, I must say that the Hon. President of the Privy Council (Mr. Pinard) and the Hon. Member for Hamilton Mountain (Mr. Deans) are right. In the opinion of the Chair, and after thorough consideration of how the new Standing Orders could be interpreted, the provisions of Standing Order 35(2) apply. We are, in fact, debating the second reading of a Bill and we have exceeded the eight-hour period. Consequently, a ten-minute time limit for each speaker applies to debates at this stage in the proceedings.

[*English*]

Mr. Huntington: Mr. Speaker—

Mr. Pinard: Mr. Speaker, I apologize to the Hon. Member. I understand that he has been recognized and has the floor for debate. Earlier this morning I was asked by the House Leader of the Official Opposition not to sit until five o'clock. As far as I am concerned, if the House wants to adjourn until five o'clock, I have no objection.

Mr. Deputy Speaker: Is there unanimous agreement that the sitting shall be suspended until five o'clock this day?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed and so ordered.

SITTING SUSPENDED

At 3.45 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 5 p.m.

The Acting Speaker (Mr. Blaker): The Hon. Member for Capilano (Mr. Huntington) has the floor.

Hon. Ron Huntington (Capilano): Mr. Speaker, I last spoke on this Bill on the six-month amendment on May 24 and I put some rather strong remarks on the record at that time. I am very surprised that the Hon. Member for Rosemont (Mr. Lachance) would move the previous question motion today. I find it rather strange that a prominent Member who worked so hard on procedures with so many of us for the past year would do that to the House, particularly on a Bill that is so important to the region I come from. The cleavage within the debate seems to be a regional one between Quebec Members and Members from the West.

It seems that Quebec Members are under the impression that allowing the subsidy to go to the growers in the West will work to the disadvantage of their cattle and hog-feeding operations, particularly the hog-feeding operation which has been so successful as a result of activities in the Province of Quebec. It is my understanding that even the Minister of Transport (Mr. Pepin) and the Government have tried to impress upon Members from Quebec that that is not really an issue. Feed grain prices in the Province of Quebec are a corn and soybean formula based on Thunder Bay plus freight or Chicago gate prices.

Please allow me to proceed with the debate that I want to make. It is my understanding that the strength of feelings in the West in no way, shape or form impinge upon the very successful hog raising activities in the Province of Quebec. I am sure that the Minister of Transport can agree totally with that statement.

I think the principle of the Bill was put in the most simple terms by Stan Price on May 16, 1983 when he said:

> Put simply, if someone said they would cover all of the transportation costs on pork and I pay full compensatory rate on grain, where would I locate a hog operation—right next to the grain fields. Or if they said they would pay all of the cost of shipping grain and I had to pay full freight costs on pork, I would locate the hog production and meat packing right next to Montreal, New York or Tokyo.

That is the issue here. What we are debating is the method of payment. We do not agree with the method of payment that the Minister of Transport has finally proposed in Bill C-155. Members in western Canada, and particularly British Columbia where I come from, have been inundated by a powerful lobby by industrial leaders. The Council of Forest Industries of B.C. wants us to pass Bill C-155 and not delay the Government. The president and chief executive officer of B.C. Forest Products wants the same thing. We have received a wire from the president of MacMillan Bloedel who wants us not to delay the Bill. On Wednesday, June 15, we received a submission from the Employers' Council of British Columbia telling us not to hold up the Bill. I have received other wires from 15 or 20 industrialists from British Columbia who have lobbied us. They are absolutely shocked that we are so upset with the Bill. I have even had a telephone call from the Chamber of Commerce accusing me of not representing the interests of British Columbia. I want to say that that is totally false, Mr. Speaker.

Let me discuss the principle of the Bill, Mr. Speaker. The Minister of Transport had things in the palm of his hand, the way he was going. Even Mr. Bruce Howe, the president and chief executive officer of British Columbia Resources Investment Corporation, who has been organizing the lobby on B.C. Members, made a speech on January 26, 1982 in which he

supported all of the essential points that we are trying to make in the debate on this side of the House. That is why the ability to debate and to have the time to debate the principle of the Bill is so important. We are shocked by the ten-minute speeches, the limitation and the closure techniques being imposed on us.

The people of Canada, let alone Members of the Government, do not understand the principle of the Bill. That principle is the method by which the subsidy is to be paid. If it is paid to the railroads, then secondary industry is locked out of western Canada forever. All we are saying is that we should study the Gilson and the Hall formulae—particularly the Gilson formulae—and that we should go that route where we have the freedom of choice to allow part or all of the payment to go to the producers.

We are not just producing grains for export but, rather, we are entering the whole world of research and development and variation in grain production so that we can start to build processing plants and hog feeding plants. I could stand here for 20 minutes, Mr. Speaker, to tell you about one of the most exciting operations I have ever been involved in in my life that could start up in western Canada should the method of payment be to the producer of the grain. That is the issue.

Mr. Bruce Howe has led the lobby on B.C. Members and he thinks he is going to ruin us politically because we are supporting what he refers to as "those guys from the Prairies". In January, 1982 the Minister was out pedalling the Bill before he changed it 180 degrees from what he knew was right. Let me tell you that Mr. Bruce Howe was supporting entirely the position of the B.C. Members on this Bill. In a speech which he gave in January, 1982 he said:

• (1710)

CP Rail estimates that grain accounts for 20 per cent of its workload but yields, at best, only 8 per cent of its revenue.

We agree that the railroads need more money. We are not saying they do not. He goes on:

Representatives from more than 50 different organizations covering every segment of the western economy—including nearly all the agricultural associations—joined together in an urgent request to Ottawa for "commercially justifiable compensation to the railways for the shipment of farm commodities currently moving at statutory rate levels".

We agree. Mr. Howe was right on when he gave his speech on the Crow rate.

—there will be a very strong temptation for the Government to side-step the issue by making direct cash grants to the railroads—

This is Mr. Howe speaking in January, 1982.

—for double tracking or building tunnels—to enable them to overcome their bottlenecks. This is the so-called 'project' approach to the problem.

I think it should be called the 'bandaid' approach. Because—while cash grants would certainly enable the railroads to start on major improvements—the problem of the Crow rate would merely be deferred. The railroads would continue to lose money handling grain;—

Mr. Howe, Mr. Speaker, said further in January, 1982:

A comprehensive solution would recognize—first and foremost—that grain as a commodity must pay its way. . . . recognize the need for statutory assurances to the grain growers; both for rail service, and for some form of compensation.

—I wholeheartedly endorse the need for such statutory assurances. The whole prairie economy has been built for 50 years on the premise of a statutory régime for grain shipment.

A fully compensatory rate to the railroads for moving grain would mean a four or fivefold increase in railroad rates.

Mr. Howe speaks against that. He said that would be a disgraceful injustice to the prairie farmers. Yet today he comes here and lobbies me, and other Hon. Members from British Columbia, against exactly what this Bill is doing. He says to pass this Bill even if it is imperfect. Yet in January, 1982 he was speaking out against everything this Bill does to western Canada and to the farmers in western Canada. Further on in his speech he said:

—the comprehensive solution has found a champion in Transport Minister Jean-Luc Pepin.

That is the way the Minister of Transport was before he tabled Bill C-155, Mr. Speaker, until the Prime Minister (Mr. Trudeau) shook him by the ears and said it was not political. Then the Quebec caucus got hold of him and said: "You cannot do that; that is going to threaten our hog production". The Government of Canada knows, however, that it is not going to threaten the hog production of Quebec. It knows very well that the feed grain formula is corn and soybean and hog production would not be threatened.

Why should the Government shut off and smother the chance to have a secondary industry, a meat packing industry, a meat slaughter industry, a hog growing industry in western Canada? Most of our market goes out across the Pacific, Mr. Speaker, and south of the 49th parallel. In no way, shape or form are we doing any harm in asking for some decent consideration on this Bill. I feel it is despicable that the Government should treat us the way it is in forcing closure and ten-minute speeches when Hon. Members are still crying out, trying to represent their region in this great country.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, this so-called second reading debate on the Crow Bill is the action of a lame duck Government. A "lame duck Government" is an American expression. When a new President in the US. is elected in November, he does not actually take power until the next March. In the interim period governments who have the power technically should carry out the wishes of the new régime. This lame duck Government is frozen with fear, paralysed with panic, too fat to fight and too frightened to run. This deliberate closing down of our right to make speeches on a subject which affects the whole constitutional basis of our country is the action of a Government which is paralysed with panic and too frightened to fight.

This Bill, Mr. Speaker, belongs in Parliament. It does not belong in any Snavely Report. It does not belong in any consensus efforts by an economist. Under the law of this land the Crow rate is only debatable in this Parliament. However, Parliament cannot debate the Crow rate, although it knows what it is talking about. The Crow rate demands that we maintain the principle of the National Transportation Act, that we know the cost it demands, that the National Transportation Act machinery be used, and that we use the Canadian

Transport Commission to examine these costs and present them to Parliament.

I have told the Minister and I have told the House that it will take six months to two years to do a proper examination of these costs because they are so complicated. The very fact that the media has never mentioned the Royal Commission report under MacPherson and has never mentioned the Royal Commission report under Hall is because Government has adopted the policy in this last three or four years, on transportation particularly but in other matters as well, of taking away from Parliament what Parliament should be doing.

In Parliament years ago we decided there was no chance of the Department of Transport solving this problem so we took the power away from it and put it into a large Canadian Transportation Commission, with all the bodies there to handle these questions. However, the Government has ignored the Canadian Transportation Commission on VIA Rail. It has ignored it on this vital Bill to our Constitution. Because whether we like it or not, Mr. Speaker, the Crow Bill is not a matter of dollars and cents; it is part of the cultural inheritance of western Canada. We drew immigrants to our area from Ontario, Quebec, the Atlantic Provinces and the whole world, to fill up this land and to help keep it away from the aggressive land hunters of the United States. The whole fabric of our being was to build that railway close to the boundary in order to keep that land as our own. We have this land in common from Newfoundland right across to British Columbia and the Yukon.

It has been suggested that since we are going to take a year or so to handle it properly we should let the Government announce an interim policy, which it can do under the Act, and carry the development of the railroad system out in the West. That is the first thing. The second thing is that it must be realized that for 20 years now the so-called economic experts have argued to the grain companies, have argued to the railways, and have argued to business, that there is no future for the grain farmer in western Canada. Even as late as 1968 and 1969, an agricultural task force recommended that we get rid of two out of three farmers right across Canada and get rid of half the farm land in the Prairies. With that type of evidence from the so-called experts, you cannot blame the grain companies for not modernizing and you cannot blame the railways for letting their lines deteriorate.

I am simply saying that now the railways realize and now the people of Canada are beginning to realize that the great wealth of the future for this whole nation in the next 40 or 50 years will come primarily from the areas west of the Great Lakes. The tonnage of minerals, lumber, potash, coal and gravel will come from the west. The first thing the railways should do, if they want to make more money immediately, is to get their rates down for the mineral products, for the potash, the lumber, the gravel and the coal. They would then see how they would make more money.

• (1720)

Today the lumber in British Columbia goes south to the Great Northern Railway in the United States and is then hauled across the U.S. before it is brought into Canada because the railways are trying to keep traffic down. They charge rates so high that business is driven to the U.S. They fought against coal transportation, against every form of transportation where they would make money because that would take away their excuse for trying to get rid of railway operations in Canada.

I could go on and talk about the economics which apply to a fixed cost industry. Every time you double the load factor of a railway you increase the profit tremendously. Fixed costs do not change. I would like to suggest as an interim policy, Mr. Speaker, instead of plunging into something like this which will not work, that we let the local people on the Prairies take over all these lines the railways claim they are losing money on. That was a recommendation of the Hall Commission. The farmers and businessmen of western Canada will run those 2,000 miles of line to make money on them by the simple device of operating them as a railway. Let the grain elevator be built at Yorkton so we can clean our grain and ship it nonstop to Hudson Bay. Not only the grain, but coal and potash. The Hudson Bay Railway should be operated, as we have talked about for 60 years, ten or 12 months of the year, not for six weeks. Let the railways make money, and when they do so do not complain. When the banks make money, do not complain. The farmers will be making some money, too.

This is a bad Bill. It brings fear into the hearts of the farmers in Quebec. That is why the PQ and Liberals in Quebec have come together to support us in Saskatchewan. This Bill brings fear into the hearts of the unemployed workers of Ontario. They know what it means when we lose $1 billion in the West and we cannot spend it in the East. They lose three times as much as we lose. Let us do justice to the commodity groups who have been discriminated against for these last 15 or 20 years, yes, but under the proper agency, the Department of Agriculture not through railway charges.

In conclusion, Mr. Speaker, if this Government had been straightforward it would have allowed a six-month hoist for this Bill so the Government could have time to get its act together. Let us help, let us co-operate. We did this from 1962 to 1967 when we put through the transportation Bill. Five years of co-operation from all parties because the Government got down on its knees and admitted it did not know what to do. We helped to put it through but it took time. Closure was not necessary. Closure, or any other trick, should not have been used in this House.

I personally wanted some settlement of this Crow issue on a fair and equitable basis, as the Act proclaims, but all we have is this scam started by the CPR. They conned the cattlemen, the commodity groups, the mining and forest industries. They were told they would benefit if the farmers paid a few dollars more. But now all those groups have had their throats cut from

ear to ear under this new proposal. If we allow a dying Government to impose closure on something which affects most directly an alienated part of Canada, the Prairies, at a time when we should bring them together with Quebec because of their common interest in protecting our resources, then this Parliament will not give justice.

As the Speaker gave her ruling today, we heard the rolling of the guns for the Royal Salute. In my mind I spoke the old Latin expression which translates into English as "Though the heavens fall, let justice be done". Justice was not done today, Mr. Speaker, in this House.

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 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Lethbridge-Foothills (Mr. Thacker)—Crown Corporations—Certification of 1981 financial statements. (b) Inquiry respecting possible representations made to auditing firms; the Hon. Member for Temiskaming (Mr. MacDougall)—Mines and Mining—Impact of steel imports; the Hon. Member for Bruce-Grey (Mr. Gurbin)—Farm Credit Corporation—Plight of farmers with high interest rate loans. (b) Development of agribond program.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, the Crow rate is not the only issue at stake in Bill C-155. It must be recognized that this Bill attacks a number of other areas and we should have time to discuss that in this House. That opportunity was denied us in the Speaker's decision today.

One of the most successful Government agencies in Canada, Mr. Speaker, has been the Canadian Wheat Board. It has been in operation for many years and it has cost the Canadian taxpayer very little money. It was put in place to sell western Canadian grain and it was paid for by the grain producers, not by the taxpayers of Canada. Its area of jurisdiction includes northern British Columbia as well as the three prairie Provinces. As far as freight rates are concerned, that is exactly the area affected by this Bill. Grain producers send the grain to port on the basis of the Crow rate.

This Bill is called "An Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof". That description is almost in incongruous, Mr. Speaker, because that is only a very small part of the total effect of this Bill. The Canadian Wheat Board handles all of our export wheat, most of our feed, and controls the shipping of rye, canola and other prairie products. Its operation is paid entirely by the farmers from the sale of their grain. It also has buy and sell privileges, which were so abhorred in the Canagrex Bill. But even the most right-wing Liberal recognizes the value of the Canadian Wheat Board.

This Bill to change the Crow rate not only attacks the grain producers but also the agency which sells the farmers' grain. The Canadian Wheat Board has been able to take the speculation out of selling grain; regardless of what time of year you put your grain on the market, you get the best possible price that the Wheat Board can get for that particular year. This was done because many years ago the Board was given a mandate to get the best possible deal for farmers. The fact that this Government does not feel the same way about the protection of farmers is one of the really bad parts of this Bill.

• (1730)

The agency or group of farmers, I suppose, which is closest to the Canadian Wheat Board is an advisory committee, elected by farmers and put in place by the farmers of the area who are most affected by the Bill. On February 8, 1983, the advisory committee to the Canadian Wheat Board, a committee elected by those farmers who produce grain, passed a resolution. In the resolution the advisory committee informed the Government that it totally rejected the proposal for changes of the grain freight rate structure. That particular resolution in itself is very important, but perhaps much more important as far as the debate is concerned is the fact that it also gave reasons for that position. I will quote directly from the press release which stated:

> One of the Committee's primary concerns is the erosion of the Canadian Wheat Board's jurisdiction over transportation and quotas. The success of any sales organization depends on its ability to manage the movement of its product to market to make delivery on the date and to the ports stipulated by the purchaser. As you know, the Canadian Wheat Board has demonstrated itself to be one of Canada's most effective and respected sales agencies. Its success depends on close co-ordination of shipments and sales, and its ability to maintain the confidentiality of all aspects of its marketing decisions.

I am reading directly from the advisory committee's resolution which goes on to state:

> Preliminary information indicates some of the Board's authority in this area will be removed and transferred to a new Government agency whose function, unlike the Wheat Board's, will not make it accountable to Western Canadian grain producers. The Committee believes it is imperative that the Canadian Wheat Board maintain the powers that are presently within the Canadian Wheat Board Act.

This Act will be attacking those powers. It goes on to state:

The proposed legislation also establishes an April 30th deadline for the setting of blended freight rates, based on the estimated amount to be shipped in the following crop year.

Referring to the advisory committee to the Wheat Board, it states:

The Committee feels the Canadian Wheat Board would be put into an impossible position by having to make predictions on the expected movement of grain at a time when the new crop has not been seeded. This could also have negative implications from a sales strategy point of view.

Again referring to the advisory committee to the Wheat Board which is elected by the western grain producers, it states:

In addition, the Committee is of the view that the implementation of a new grain freight rate structure will seriously damage the income of grain producers. It is a known fact that Canadian grain producers have virtually no income protection as compared to their major competitors in the USA and the EEC.

This is a statement by an advisory committee elected by 150,000 quota holders who are the producers of grain in werstern Canada. That is the way they feel about the Bill.

The Wheat Bord has controlled the flow of grain through the quota system. Most of us who are farmers complain on occasion about the quota system. We all know that it is there and that it gives no advantage to anyone. However, this will be attacked or will be affected by the new Bill. The Bill will put an end to much of the fairness and weaken the Wheat Board in the process.

The Wheat Board is a fundamental agency as far as the Canadian grain establishment is concerned. The Wheat Board has been able to control the movement of grains to the terminals because it can call on quotas of a particular kind of grain at a particular time.

Up until a half hour or so ago, I was planning to move an amendment. I understand that it will not be accepted now; is that right?

The Acting Speaker (Mr. Blaker): The Hon. Member for Prince Albert is quite correct. There is now a motion on the floor that the House do now consider the previous question. Accordingly, no further amendment is possible.

Mr. Hovdebo: Therefore, the Bill jeopardizes all the well planned and established procedures, those which have been established over the years and, in the process, eliminates the strength of the Canadian Wheat Board. If one eliminates the strength of the Canadian Wheat Board, one eliminates the strength of Canada. One affects the $6 billion of money which comes back into the system from the sale of Canadian wheat.

The motion which I would like to move, and I will read it into the record, is the following: "That Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain, to amend certain Acts in consequence thereof, be not now read a second time, but that the order for second reading be discharged, the Bill withdrawn, and the subject matter thereof referred to the Standing Committee on Agriculture".

Such a motion would give us the opportunity to discuss the Bill at length and in the detail that is required in the debate before it goes to committee so that all of Canada can consider all the issues which the Bill should bring before the House. We are not given the opportunity because we are being cut off at this time. Therefore, I think it is very important that the people of Canada, particularly the grain producers, recognize that the Bill not only changes the Crow rate, but that it also starts the process of elimination of the strongest and the best agency that we have had, particularly for the western grain producer, that is, the Canadian Wheat Board. That in itself is a good enough reason to stop the Bill where it is now.

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, to continue with the debate on Bill C-155, which is a Bill to change the Crow rate and shaft western Canada once again, I find it very disappointing that the Minister of Transport (Mr. Pepin) is not in the House this afternoon. He has missed the contribution we have received from the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) and the Hon. Member for Capilano (Mr. Huntington) who have more knowledge about this subject in their two little fingers than does the whole Quebec caucus combined. I cannot understand, and I find it most disturbing, why the Minister of Transport should be taking all his advice from the Quebec Liberal caucus with regard to the Crow rate changes. However, all I have heard most of this afternoon is some giggling and laughing from the backbench Liberal Members. That is all the concern they have for this particular Bill.

I have received many representations from across western Canada with regard to the Crow rate changes. One of the best contributions I have received has been from the Alberta Government. Alberta has a strong industry with a potential to be stronger. However, the impact of changes means, first, that the economic distortions which inhibit the development of the western Canadian livestock and processing industry will continue to exist and, in all likelihood, will be exaggerated. Second, farmers will be unable to develop or to benefit directly from system efficiencies that could result from the commercial operation of a compensatory rate structure. The opportunity for innovations such as unit train movements and multiple car rates will be significantly delayed and reduced. Third, shippers will be unable to affect the development of the grain handling system through the exercise of free choice. The opportunity to allow the market to create and maximize system efficiency at all levels will have been lost. Fourth, farmers and grain companies will be subject to an increasing bureaucratic and regulatory burden. That is the last thing that we need in this country. Crisis rather than the market place will continue to dictate the pace and location of private industry investment and affect systems operations. Fifth, farmers will be unable to take advantage of domestic feed barley, canola and crop diversification, production and market opportunities.

• (1740)

The Saskatoon *Star Phoenix*, in an editorial of May 25 of this year, pointed out:

A governing party as unpopular as the present Liberal regime may have little to fear in yet more evidence that it is digging itself into greater political

quicksand. But there is an overriding concern—this Crow reform effort is turning out to be too divisive between regions and within regions to be safely pursued. A new beginning must be made, a fresh approach found. And most importantly, new players must enter the game. It is a part of the reality that the Government must face that, in large measure, the wall of resistance to the present Crow initiative is because of massive distrust of the central power force in the country.

It goes on to say:

A new political force, which is almost certain to emerge following the next general election, may have better luck at tackling the job.

There is no doubt about that.

But even with western support for the governing Party, it will be a difficult one.

The Liberals cannot succeed. Their best bet is to keep the present statute intact and hope the creaky rail system holds together until someone else can find a way to fix it, and maintain the viability of the agriculture industry at the same time.

As well, the Palliser Wheat Growers Association, in a news release from May, 1983, pointed out:

PALLISER REPRESENTATIVES SEE
PRODUCER CHOICE AS THE ULTIMATE
COMPROMISE

Palliser Crow Committee Chairman Paul Orsak and Executive Co-ordinator Barbara Isman were in Ottawa on Monday, Tuesday and Wednesday with other major farm group representatives to investigate the possibility of achieving a key amendment to Ottawa's Crow Reform legislation. This amendment being the option for producers to individually decide whether they wish to receive their portion of the Crow Gap Benefit directly or pay it to the railways.

Orsak expressed optimism for this possible solution to the division which has existed between farm groups. He said, "Western Canada has lost a great deal because governments and farm groups were unable to develop a consensus. While major farm groups, the Saskatchewan and Alberta Governments believe in the producer payment method, the prairie Pools felt it would jeopardize their position. This created a rift which allowed Quebec to make the decision for Western Canadians."

Which is totally wrong. He continues:

The option was initially brought forward by Don Mazankowski as an alternative to forcing one method or another upon Western farmers. Orsak agreed that this option would be fairest to all concerned. He explains, "As there is no difference in net cost to farmers under either method a farmer can opt for whichever method he or she feels most comfortable with."

Isman also agreed that this is the fairest solution, saying "The additional benefit to producer choice is that it will be a true test of which method works best. Then when the comprehensive review comes up in 1985-86, a clear decision can be made."

Both Orsak and Isman feel it is imperative that Western farmers move quickly to give an opinion on the compromise because Ottawa is moving rapidly toward implementation of the current bill which is a Quebec solution to a Western problem. Orsak expressed his belief that the Federal Government could be made to change their mind if a Western consensus was reached.

It is imperative that the Government hoist the Bill for at least six months so it can consider the representations from these knowledgeable groups and individuals.

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, the debate which has occurred on the Crow thus far has been one that has impressed me as containing two major elements. The first concerns the process through which we have gone and the second relates to the substantive issues.

The process which we have experienced thus far is one that should discourage anyone who has followed the Pepin proposal and the prior Hall Commission and Gilson reports. Not only western Members of Parliament, who are particularly affected by the Bill, but the whole country has not had the opportunity in the first instance to become part of the proposal to help develop and improve a system which everyone agrees is in some jeopardy since it does not have the proper mechanisms not only for improving grain transportation but for the entire rail system. These problems have not been properly considered by Parliament.

When the Minister finally did make a proposal which took into account all other recommendations and presented it to us, that proposal was changed once again for what must be described as very crass, partisan political purposes. Yet again the Prime Minister (Mr. Trudeau) has contributed to offending western Members by saying that those who could yell the loudest would be heard and in fact be responsible for changes that are now before us. We have seen a number of occurrences as a result of different representatives from various groups lobbying on one side or the other. We have seen some grand conversions on the part of some railway officials. One such incident was described very well a short while ago by the Hon. Member for Capilano (Mr. Hungtinton).

As a Member, I have found the whole process disturbing as I watched it evolve with arbitrary changes which do not include what I would consider responsible input by Members of Parliament, particularly from this side. Clearly, Members from the Government side of the House do not understand what is important on behalf of the grain producers in western Canada.

Even as recently as today and last week, we saw the Minister of Agriculture (Mr. Whelan) stand in his place and indicate his intention to bring in time allocation on debate. We have seen the concern that has been raised by the NDP regarding the number of different principles involved in this Bill. It is a mini omnibus Bill, if you like. All of these factors should give anyone who is considering this proposal some concern with respect to its process. That in itself is enough to ask the Government to back away and let the substance of this issue come before a committee before the Bill is put through. It could then be properly considered after proper representations have been made. That is the first major point.

Returning to the substance of the Bill, in my opinion it concerns an issue which affects not only western grain producers but almost all matters that are important to our country. The Bill ranges from the rail system itself, which was so important in the beginning of our country toward uniting it and achieving Confederation, to questions regarding the farm economy. If there is anything that is vulnerable right now, it must be the farm economy. This Bill and some of the elements in it could affect the farm economy. Listening to the grain prices this morning on the radio we heard that a significant drop has occurred in the last few days. That kind of pressure is being felt by the agricultural producers. This, I think, threatens some of the basic economic factors that are important to

this country in seeing an economic revival and in getting back on the right track again.

• (1750)

&ed590;-1 We now have a degree of economy recovery. We need to be able to count on that sustained recovery if we really want to have the jobs and the opportunities that all Canadians should enjoy. But when we put in another element such as that contained in this Bill, we then seriously raise in question the viability of many of those farming operations in the West. I do not think that in the short term we can tell precisely what the consequences of this will be. But there is no doubt that it does raise serious questions and could, in fact, result in some very negative effects on the farm economy.

With regard to the farm economy, we must not just zero in on the grain producer. He is the primary producer and he is producing grain for export and domestic use, but he is also responsible for many of the other economic activities in the country. The multiplier factor is probably seven for each dollar's worth of activity on the farm. There are many things involved. The production of vehicles and all the other things that go into making the farm operation work, all of those things, have impact right across the country and are basic to the economic health of Canada. We must also look at the export markets. As far as Canadian export markets are concerned, we do not have very many bright lights. But one of the bright lights, second to the forest industry, is agriculture. We can expand that.

We have had many discussions about the ways in which we could expand. Canagrex is what we have. It is also under closure. But this is something that needs to be secure in terms of the producers and in terms of the producers and in terms of our ability to deliver that which we contract for with other countries. The markets look bright. We are exporting now over thirty million tonnes per year. We may be able to go as high as exporting forty million tonnes by the years 1990 to 1992. Those things are possible. But we know they depend on the ability to transport that grain and that means some major changes in the attitude of the railway companies. We know that it will take additional capital in order for it to occur.

One of the things I ran across over the last several days when I was wondering what was happening and what was right or wrong about the CPR and the CNR was an item in the *Financial Post 500*. Many things have been said about the history and what was agreed upon at the very beginning when the Crow rate was brought into existence. Of interest was the question of the CPR and the CNR and the way the *Financial Post 500* listed them. On the negative side was the listing of the big winners and the big losers. Most of the companies in this list are not a surprise to us. But the one that did surprise me was CN. As far as Crown corporations go, CN is the big loser. We have to question who is running CN, how it is managed and who is responsible for it. But that company as a crown corporation has not been doing well. It might be suggested that it might be as a result of the Crow rate, and so on. But on the other hand, if we look at the CPR, listed as one of the biggest of the winners and one of the largest Canadian corporations in terms of economic activity, maybe there is a lot to be said in terms of how that company is being managed and that changes should occur in the management of CN. Regardless of whether it is CN or CPR there is no question in anyone's mind that both of these companies have an opportunity and a need for major significant capital investment in order to provide the type of transportation facilities that are required by the western grain producers and that is being brought into question.

The final point in terms of substance that is important to me is the statutory agreement that had been put in place initially which is being threatened by the proposal before us in the House now in the form of Bill C-155. It seems to me there is a commitment made to the West and the grain producers. This is a fundamental factor in the whole existence of the western agricultural economy. Whether we are from Ontario, eastern Canada or British Columbia, it is one that we cannot take too lightly. I think it is probably impossible for us not having grown up with this issue, to have a full sense of it, but on the other hand, I think it is a commitment that the Government has a responsibility to honour.

I think I understand the Bill reasonably well. I know the amendments which the Minister is proposing suggest that there will be a safety net and there will be something to help protect. I do not think those things go far enough or can give the sense of security that is needed if we are to have the healthy farm production and economy that we need on behalf of all Canadians.

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I rise to speak on Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof. As a Member of Parliament from Kootenay East-Revelstoke, I want to say how much I resent this piece of legislation. Our House Leader on May 19 appealed to the Government of Canada to have this Bill split into three portions, first, into a transportation Bill that would deal with problems of transportation with which I and our Party very much want to deal. We want to deal with this in a very constructive way to meet the needs of our transportation in the years to come. Second, we suggested that the Bill deal with grain, the handling of grain and costs in a constructive way, to see what the costs and the consequences would be. We need to look at what would happen with regard to farmers. Third, we want to deal with the Dominion coal blocks, fifty thousand acres of which happen to be situated in my riding of Kootenay East-Revelstoke. I want to speak for a few minutes about that.

It is important to know that over 85 years ago the constituents of Kootenay East-Revelstoke allowed over 50,000 acres of their most prime coal lands to be set aside in the name of the Dominion of Canada. During that period of time they did not have the opportunities to exploit and carry out the kind of developments that took place. Eighty-five years have now gone by and the Canadian Government wants to do away with the Crowsnest rate. That may be something that should be considered, but if you do away with that you should look at the

basic construction of how the Crownest rate came about and how those coal lands became available. I want to take issue with the fact that we cannot debate the coal lands in a separate Bill so that the people of Canada can understand the concerns of western Canada. When we see that the Government of Canada is mainly represented by eastern representatives dictating policies and programs that will adversely affect the people of British Columbia and the Prairies, I think that matter should be looked at in a democratic, sincere and sensitive way.

For a moment I want to reflect on some of the things that have happened. This land was turned over to the Dominion of Canada back in 1897. In 1897, through the Crowsnest agreement when it was made, the 50,000 acres were set aside. It was said that the land could only be developed if it was to produce for domestic use and the produce could only be sold at $2 a tonne loaded on the cars. We realize on this side of the House and we in British Columbia realize that that is not feasible today. We are prepared to discuss the removal of that land from the Crowsnest agreement but not if we have to support the transportation portion of the Bill and have to take it out on the farmers of the Prairies and of British Columbia. We think that is wrong, and we have said so. We have asked to have the Bill divided, but the sensitivity on this side of the House is ignored. For the life of me I wonder why.

• (1800)

I know that CP and the Fording Coal Company, a subsidiary of CP, have made inquiries with regard to the development of these coal lands. It could be that some sweetheart deal is already in the process. On Thursday of last week I asked the Minister of Energy, Mines and Resources (Mr. Chrétien) if it would be possible for the West to supply coal to central Canada for its industrial belt which is now buying as much as 16 million tonnes of coal from the United States. I would like to indicate the answer I received from the Minister and the concern I have for those coal blocs when I receive such an answer. He said:

—I am informed that some coal has been imported from British Columbia to the East in small quantities.

Imported from British Columbia! Is that what the Government of Canada thinks of British Columbia? As a Member of Parliament I resent it in the strongest possible terms. I resent the fact that we were unable to separate the Bill so that we could deal with the coal deposits. These are 50,000 acres of the richest coal land, estimated to be valued at $450 billion. While I am speaking in the House, there is ongoing research in drilling for oil. A contract was let in that area for the drilling of oil. If Alberta, Nova Scotia and Newfoundland can have their energy policies and dictate their energy programs, the energy policy in British Columbia should not be dictated by the House of Commons or the Dominion of Canada. B.C. energy must be turned back to the Province of British Columbia from where it first came. To suggest that it is imported is an insult to British Columbians, and I resent it in the strongest possible manner.

Also I resent the fact that MacMillan-Bloedel, Fording and other companies from the West to which Conservative Members referred are lobbying us. They are subsidiaries of CP. They are lobbying us to pass this Bill. I will not be a lobbyist for CP or any other large company which feels its interests are more important than those of my constituents. The Minister of Transport (Mr. Pepin) and the Minister of Energy are not even in the House when this important piece of legislation is being discussed. It is another insult which we cannot and must not allow to go unheard.

I have people lobbying me and suggesting that I am opposed to the restructuring of our railways and our transportation system. For 35 years I have worked on the railways. I know as well as anyone else that our transportation system must be upgraded. There must be a method of doing it. I know that railway workers and miners in British Columbia do not want to have it upgraded on the backs of the farmers of Saskatchewan and Manitoba. That is not how it must be done. It must be done under a transportation Bill which recognizes the needs of the country. It must be done in a way which will not destroy another very viable and valuable industry which the country needs. For farmers to be designed as the ones to pay for the improvement of the railway system is wrong, and we cannot understand it.

At the present time the railways are offering to purchase railways in the United States which would provide a possibility for diverting grain to the South while Canadian farmers would pay the extra rates. I think that is wrong. The Minister should immediately step in and say that Canadian products, especially grain and other commodities, must be shipped on Canadian railways through Canadian ports before any subsidies will be offered by any government or any group.

Mr. Jack Shields (Athabasca): Mr. Speaker, I appreciate the opportunity to rise and speak on Bill C-155. I would like to make a few comments on closure and then indicate how I personally feel about the Bill before the House. When I first came here as a Member of Parliament, I felt very strongly that I could represent the people of my constituency with honour, integrity and a sense of feeling which is only gained from living in a constituency or in a particular area. Basically I thought all Hon. Members of Parliament would sit with open ears during debates and allow the exchange of ideas to take place so that Opposition Members could play their role by modifying bad legislation. In the parliamentary system which I understood, we in the House of Commons, as Members representing all of Canada, would reach a solution that would be palatable to every part of the country. Instead I found much to my dismay and sorrow that every time a piece of bad legislation came before the House or a piece of legislation with which some Members disagreed, the Government moved in with closure or time allocation which is another form of closure. It is not a place for debate; it is not a place in which to exchange ideas.

I doubt whether Hon. Members sitting on the Liberal backbenches really understand what the Crow rate is all about or what Bill C-155 does. For example, let me indicate what

exists right now as a statutory freight rate. The Crowsnest Pass Agreement was signed in 1897, nearly 100 years ago. CPR agreed to reduce rates for transporting grain and flour from western Canada to the Lakehead to five cents per ton mile. The rate became statutory in 1925 when it was incorporated in the Railway Act. Subsequently it was extended in later years to include Vancouver, Prince Rupert and Churchill and was broadened to include certain oilseeds and semi-processed grain products. That is what farmers in western Canada understood, and it has become part of the very social fabric of western Canada.

Now the Government virtually proposes to transfer $1 billion from the pockets of western Canadian farmers directly to the railways. That is exactly what is happening. The total revenue from farm commodities, grain from western Canada, is $6 billion. The Government is proposing to take $1 billion of that $6 billion and transfer it directly to the railways. It will not come from Government coffers; it will come directly out of the pockets of farmers in small communities in my riding and in every other western grain producing area.

• (1810)

It is an attack on the social fabric of western Canada. I am talking about the very small communities on the Prairies, Manitoba, Saskatchewan and Alberta. The very existence of places like Rochester is threatened. When you threaten the farmer, you kill the family farm. When you do that, you kill the very small communities such as Kinsella, Smith and other places Members have not even heard of. I repeat, they are the very social fabric of western Canada.

The Government has come in with Bill C-155. I outlined what the statutory Crow rate was all about. It is very simple, five cents a tonne mile. That was the transportation cost. What will the farmer pay now? I want to quote directly from the Bill. I say to Members opposite, for God's sake, read the Bill and see if you can understand it. I know you cannot. I quote the annual rate scale, Clause 35 on page 16. This tells the farmer how much he will pay in freight rates to ship his grain from western Canada to market. I quote:

35. The Commission shall, on or before April 30th of each calendar year, by order, prescribe the annual rate scale in respect of the next crop year.

36. (1) The annual rate scale in respect of a crop year shall be determined by multiplying the amount per tonne for the movement of grain over each range of distance set out in the base rate scale by the quotient obtained by dividing the estimated eligible costs of the railway companies in respect of that crop year less the CN adjustment in respect of that crop year by the base year revenues within the meaning of subsection (2), as those revenues are adjusted in accordance with the grain tonnage forecast for that crop year provided by the Administrator.

(2) For the purposes of subsection (1), "base year revenues" means the amount obtained by multiplying the rates applicable to the movement of grain under the tariffs of rates of the railway companies as derived from the base rate scale, taking into account sections 44 and 46, by the number of tonnes of grain actually moved by the railway companies from each point of origin on a line of railway in the Western Division in the most recent base year.

How much a tonne? When a farmer in western Canada picks up a piece of legislation like this, he wants to know how much his freight cost will be because he has to figure that in his overhead. He wants to know that he will make money if he plants his wheat, barley or oats. It makes eminent common sense. What do we do? We have Members opposite who do not even take the trouble to read what is in the legislation being proposed by the Minister.

Let us review what has happened. There was the Hall report and the Gilson report. The Minister of Transport (Mr. Pepin) introduced Bill C-155, which does not even resemble the suggestions made by these gentlemen. All producers in western Canada recognize that there has to be change somewhere.

We ask our western producers to produce the grain to be shipped. We ask them to create wealth for this country. We want to ship $6 billion of grain to the foreign markets to help with our balance of payments. That is what we ask them to do. We compete on the international market with countries like Argentina, the United States and Australia, which heavily subsidize the grain producer. What does this Government propose to do? It proposes to take $1 billion out of the revenue to the farmers and transfer it directly to the railroads. We have discussed that in this House.

The Hon. Member for Vegreville (Mr. Mazankowski) put forward the proposal of the freedom of choice option. It suggests in effect either paying the subsidy directly to the farmer or giving him the choice of paying it directly to the railroad. It would be easy to administer. What does this Government do? Nothing. It closes its ears.

When the Government introduces legislation into the House, it will listen to no argument. It will not listen to debate. It will not take into consideration the problems faced by the areas affected. It brought in closure on the national energy policy which devastated the oil industry in western Canada. Today, even with all of the backtracking it has attempted to do, rigs are still idle in the western basin. The numbers are down 10 per cent from last year, and last year they were down 40 per cent to 50 per cent from the year before. This is shortsighted stupidity.

We are seeing exactly the same thing again today. We ask the farmer to invest a lifetime in producing wealth from the land, wealth that every person in this country can enjoy. As I mentioned before, this contributes to our balance of payments.

The Crow is a form of subsidy to the grain producer. We all recognize that. It was put in place to allow the farmer to compete in the international market against other grain-producing countries. That subsidy is now being taken away. This is not being done in the United States, Argentina or Australia. They are adding subsidies. They recognize that the production of grain is the production of wealth. Selling grain on the international market contributes to our balance of payments and to our foreign trade deficit. This is used consistently.

I wish I had more time. However, this is part of the closure episode that goes on constantly. Members opposite will not listen to the debates that go on. I am sorry I am only permitted ten minutes. I may have an opportunity to speak at a later stage.

Mr. Les Benjamin (Regina West): Mr. Speaker, we are speaking to a motion that the question now be put. There is a practice in Parliament whereby Members can put reasoned

amendments. The motion by a Government Member that the question now be put prevents the Chair from considering whether an amendment is in order and is a reasoned amendment. That surely is some kind of an assault on the rights and privileges of Members of Parliament on all sides of the House. Since the Chair is the servant of all Members, I hope that sometime in the course of the debate on this Bill, however long it will last, the Chair will decide that that is enough, and that as a servant of the House it will say there has to be an opportunity to speak for the Members on all sides.

I want to move a motion, seconded by an Hon. Member. The Chair will probably have no choice but to rule it out of order or inadmissible. If nothing else, it may get a message across to the Government Member who would move such a motion before any other Member of the House had an opportunity to present a reasoned amendment.

• (1820)

I want to deal with some of the points made by the Hon. Member for Vegreville (Mr. Mazankowski) whom I consider a friend and colleague. We have served in this House together for quite a few years. I should like to deal with what he and his Party call freedom of choice. Whose freedoms are the Tories trying to protect, Mr. Speaker—the grain farmers, members of the Saskatchewan Wheat Pool, the farmers' union, the Manitoba elevators, cow-calf operators? The Saskatchewan Association of Rural Municipalities has said that the difference between the Crow rate and the proven cost of hauling grain should be paid directly to the railroads and that the Government should have some say in what it does with the money. The Hon. Member for Vegreville says that farmers should have freedom of choice. What kind of freedom of choice does that give them? It gives them the freedom of choice to pay more money to the railroads. That is the great freedom that is proposed by the Conservatives.

Mr. Mazankowski: How can you say that?

Mr. Benjamin: The Conservative Party has been in favour of the grain producers paying more money for freight changes. That is one of the freedoms of choice that the Hon. Member for Vegreville and other Members of his Party want to propose and see proposed in Parliament.

Mr. Mazankowski: Be honest.

Mr. Benjamin: Let us consider another freedom of choice that the Hon. Member for Vegreville wants to give to grain producers in western Canada and that is the freedom of choice to reduce the price for grain at the farm gate by $25 or $30 per tonne. The freedom of choice that the Conservative Party offers to farmers in western Canada is the choice to reduce the price at the farm gate.

Under the proposal of the Hon. Member for Vegreville farmers have the freedom to dilute the benefit to producers by spreading the so-called Crow benefit to cultivated acres which do not produce statutory grain. Then there is the psychological freedom of choice which is outweighed by reduced economic choices. There is the freedom of the railway companies to manipulate freight rates to close down country elevators and branch lines, and that is called freedom of coercion or legalized blackmail. That is the so-called freedom of choice proposed by the Tory Party. It would force the farmer to take the money and haul his grain 50 or 100 miles farther away. The branch lines would be closed and and the elevator of which the farmer is part owner would be shut down. That is the freedom of choice that the Tories offer.

I have listened to Tories talk about efficiency in Government. It seems to me that freedom of choice means that instead of sending two cheques in payment, one to the CNR and one to the CPR, what we would have would be an administrative nightmare.

The Hon. Member for Vegreville went to great lengths to show how complicated the Bill is and he quoted several clauses for that purpose. His so-called freedom of choice alternative would mean that the Bill would have to be rewritten and would probably be twice as long as it is now. It would mean sending out 150,000 cheques instead of two. It would mean setting up a bureaucracy for those farmers who decide that they want to take the money and for those farmers who want to let the railroads take it. I invite you to kick me in the head, Mr. Speaker—

Some Hon. Members: Hear, hear!

Mr. Benjamin: —but I should like to move, seconded by the Hon. Member for Humboldt-Lake Centre (Mr. Althouse):

> That Bill C-185, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be not now read a second time but that the order for second reading be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Agriculture.

The Chair may have no choice in this in view of the motion presented by the Government, but Members of the Opposition have a right, and we exercise this right, to present a reasoned amendment and, as the Chair well knows, reasoned amendments are difficult to arrive at. I should like to hear from the Chair not only whether it is in order but whether it is a reasoned amendment. From some comments I heard this morning from the Chair, I think the occupant at that time had run out of string. I hope that the Chair will respond today, tomorrow or next day—I do not care when.

I hope the Conservative Party will explain about its so-called bastardization of freedom of choice, the freedom of grain producers to pay more, the freedom of grain producers to lose their branch lines, the freedom to lose their country elevators. I should like the Conservatives to explain that. They have been getting away with this Proposition 13, Ronald Reagan syndrome imported from California and have been peddling that nonsense which flies in the face of Canadian practice, which flies in the face of our national unity, which flies in the face of co-operative federalism and pits farmer against farmer, one region against another. Surely that is a betrayal of our Confederation. You cannot have livestock producers trying to gyp grain farmers, their neighbours, out of $25 or $30 per tonne on

the farm gate price. The Hon. Member for Vegreville wants to give them the freedom of choice to do that.

I will keep talking until you cut me off, Mr. Speaker.

The Acting Speaker (Mr. Blaker): If I understood the expression used earlier by the Hon. Member, he has run out of his string.

Mr. Benjamin: May I ask the Chair's generosity to continue—

Some Hon. Members: No!

The Acting Speaker (Mr. Blaker): I think I heard the Hon. Member indicate that he would like to seek unanimous consent to continue his remarks.

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Blaker): It is clear that there is not unanimous consent. On the matter of the amendment, the Hon. Member declared that he understood that the rules prohibit putting the amendment. I can do no more than assure him that he was correct in his assumption.

The question of whether it is a reasoned amendment is hypothetical. I would refer the Hon. Member to Citation 445 in Beauchesne's fifth edition to the effect there can be no amendment once the motion has been put for the previous question.

• (1830)

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I am pleased to follow the Hon. Member for Regina West (Mr. Benjamin). I am surprised that the Official Opposition has taken this opportunity to remain silent on this very important Bill. It would look as though they have knuckled under to the Government's desire to push this Bill through quickly, despite the implications of Bill C-155 not only to the farmers in the Prairies, but certainly on the whole issue of transportation in western Canada. Obviously the resolve of the Conservative Party of Canada to see that this Bill adequately protects the grain farmers, as well as provides adequate transportation for mineral and forest products in western Canada, its resolve to fight this Bill and to see that the Government does not jeopardize the livelihood of western Canadian farmers, has evaporated in this House this day.

The Bill with which we are dealing will do a lot more than take approximately $6,000 from each farm family by the year 1990. It jeopardizes the whole western farm future. As a Member from the Province of British Columbia I can say that we have concerns not only for the grain farmers in the Provinces of Alberta, Saskatchewan and Manitoba, we also have some very sincere concerns as to how changes to the Crow rate under this Bill will affect the producers of timber products, coal and other minerals in the Province of British Columbia.

There seems to be a perception, and a false one, that the New Democratic Party in fighting this Bill is jeopardizing increased transportation. The proposition which we have attempted to put forward regarding Bill C-155 would split the Bill and would see the House of Commons deal with transportation, in the upgrading of the rail system which we know as woefully inadequate and antiquated. We would split this Bill in order to deal with transportation needs in Western Canada, to protect the farmers and the statutory Crow rate, and to deal with the infrastructure of western Canadian products. I believe this indicates that this Party has an appreciation for the importance of rail transportation in Canada.

To support that statement I would like to comment on a situation in terms of the Government of British Columbia under former Premier David Barrett between the years 1972 and 1975. In recognizing the needs for improved rail service in British Columbia, the New Democratic Party Government of the day responded to the real need for upgrading the service by constructing, through B.C. Rail, a rail car plant at Squamish, B.C.

I believe, Mr. Speaker, it is indicative of Tory, Liberal and Social Credit Parties that they do not want any kind of successful Crown corporation which might employ people and provide services. That Crown corporation set up one of the most modern rail construction companies in North America. It was producing a car and a half a day for the B.C. Rail services. It employed 300 people. There was no indication that the rail car orders were decreasing. Yet, when the Socred coalition formed the Government in 1975 one of its first acts was to close that rail plant and lay off 300 people. We now know the need for upgrading the carrying capacity of our rail system. That rail car plant should have been producing constantly from 1975 on, which would have provided a large economic stimulus to that area which is now somewhat depressed because of the forest industry concerns.

Not only did the New Democratic Government propose and construct that rail car plant, there also were proposals to open up the North. This vision of the North would have included a rail system stretching from Vancouver through northern British Columbia, through the Yukon and into Alaska. This would open the North for the mineral and forest industries, and, more importantly, it would bring Alaskan gas and oil from Alaska down through British Columbia and into the southern States. That was a vision which never saw fruition simply because, again, a Social Credit Government did not see the economic viability of that system.

The proposal of the New Democratic Party for rail upgrading would serve the purpose of this Bill. It would serve the purpose of creating 100,000 more jobs than the Government is suggesting this Bill will produce. It would save the Canadian taxpayers and the Canadian prairie farmers hundreds of millions of dollars. It would produce a rail system which would be able to carry increased grain exports, and the mineral, forest and potash requirements of this country for its own domestic use and for export.

The record of the CPR is dismal in terms of providing an adequate rail bed for both transportation of passengers and of freight. As an Hon. Member whose riding includes the Esquimalt and Nanaimo railway system, I can speak from some experience in terms of how the CPR has neglected the needs of that rail system both for the transportation of bulk products and for passengers.

What the Government is doing with this Bill is simply adding greater subsidies on top of the estimated $13.5 billion which the CPR has received over the past many decades, with no equity for the Canadian public. Bill C-155 could adequately have been split. It could have protected the rural communities in Saskatchewan, Manitoba and Alberta. It could have provided an adequate rail transportation system for products in my Province of British Columbia. We have seen the neglect of the CPR in anticipating increased demands. We have seen the neglect by the Liberal Government of the Canadian public and this Parliament through a hurried debate without giving any recognition of what the prairie farmers themselves have to impart to this House of Commons. The need for rail upgrading, Mr. Speaker, is recognized by everyone in this House. It would appear, however, that the Official Opposition is quite satisfied that this Bill go through. It is quite satisfied to see the final debate on second reading of this Bill conclude without putting up any more speakers this evening. It is quite prepared to see the western farmer pay the extra $6,000 a year by the year 1990 without trying to force this Government to split the Bill and to recognize that rail upgrading and prairie grain transportation costs can be achieved without ruining the western economy.

The obvious difficulty in dealing with a Bill of this nature, in terms of the perception which the public has, is that there are some aspects of it we can all support. There are other aspects which none of us can support. Certainly, the New Democratic Party has difficulty with the way in which this rail upgrading is going to be financed from the public purse without any equity.

• (1840)

We are very concerned that the coal lands in British Columbia are going to remain under federal jurisdiction. Despite the failure of the Government, through the refusal to maintain the Crow rate, it would appear these lands are going to remain in the hands of the federal Government.

Finally, Mr. Speaker, we cannot tolerate a situation in which prairie farmers are going to have a significant decrease in the amount of income they and their families can expect.

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I am glad to have the opportunity to put on record certain things pertaining to this particular debate. I find it particularly repulsive that the Hon. Member for Rosemont (Mr. Lachance) moved closure on a motion which gives Members like myself, who are seriously affected, the opportunity of trying to convince my hon. friends opposite of the drastic affect this Bill will have on people in my constituency. I want to outline several of the reasons I feel that way. I want to update some of the information I gave earlier in the House regarding the disproportionate impact of this measure on constituencies such as mine.

Within the last week I was able to obtain a 1982 Government of Manitoba report which tabulates the average income of certain constituencies. The Hon. Member for Lambton-Middlesex (Mr. Ferguson) said that every farmer could afford $2,800. I would point out the disproportionate impact that would have in the town of Benito, for example. The average annual income in that town for the year 1980 was $6,911. If you took $2,800 away from that, I would ask my hon. friends opposite what kind of impact that would have, and what impact it would have in their constituencies? In the town of Ethelbert, which is half way between Dauphin and Swan River, the average annual income is $6,060.

I would hope, Mr. Speaker, that Hon. Members opposite might at least give me the courtesy of listening to what I have to say.

Mr. Benjamin: They are busy playing cards.

Mr. Lewycky: If not, maybe they could at least excuse themselves.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. Clearly, the conversation taking place on my left is not very helpful to the Hon. Member who was recognized by the Chair. I would therefore ask Hon. Members to lower their voices somewhat.

[*English*]

Mr. Lewycky: Thank you, Mr. Speaker, as I said, Ethelbert is a town with an average annual income in 1980 of $6,060. If you take away the $2,800 that the Hon. Member for Lambton-Middlesex suggests is not much, what type of income would be left for these people on which to survive? I would also like to point out, Mr. Speaker, that this average annual income includes the wife and children, who are unpaid labour. We are talking about communities where the wife does not have the opportunity of obtaining a second income for the family. Even if people from farming communities such as Ethelbert were to try and get a job in the service sector they would have to travel up to 60 miles one way to work in let us say, a restaurant or some other area of the service sector. We are saying that the deduction of $2,800 from the annual income of people in my constituency will have a very disproportionate impact.

I could go on and list several other communities which would be affected in the same way. For example, we have Langruth which presently pays, under the Crow rate, some 16 cents a hundredweight. The elevator handles 8,700 tonnes. At 5.1 times Crow, that community would suffer a loss of $125,900.

I could point out the impact this Bill will have on all the elevators in my constituency, Mr. Speaker, but it would be difficult for my friends in urban constituencies to understand what this would mean. However, Mr. Speaker, instead of going

through the 66 communities in my constituency, perhaps I could suggest to Hon. Members opposite that they take a block from their constituency, take a street from that particular block, and suck out $220,600. From another block and another avenue they could suck out $133,700. From a crescent they could suck out $125,900. From a driveway they could suck out $199,000. Take a short street, one that does not have quite as many people on it, and suck out $95,500 from that particular street. I could go on endlessly. I could speak of the disproportionate impact upon the 66 communities. I could speak of the impact it would have in terms of destroying these areas. I make that illustration simply so that my friends opposite will understand that when I have presented these petitions from various people in my constituency I have not been speaking through my hat. I have been bringing forth the real concerns of real people, showing that this will have a real negative impact upon their livelihoods.

• (1850)

In contrast, consider what the railways are doing and what is happening in some of these areas. For example, let me refer to an article in the New York *Times* of May 16, 1983, wherein it is reported that the CNR is bailing out the Milwaukee Road Railway to the tune of $250 million, and refers to the CP's proposal to bail out the Rock Island Railway to the tune of $100 million. There have also been rumours that the CP might be putting in $350 million to salvage the Illinois Central Gulf Railway. It is for this reason, Mr. Speaker—I will conclude.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member, but the time allotted for his speech has expired.

Mr. Prud'homme: More! Question!

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I hear the Members of the Government asking for the question. It is that very attitude which led the Hon. Member for Rosemont (Mr. Lachance) to stand today and, in a sort of specious way, move closure under Standing Order 56 which states:

> The previous question, until it is decided, shall preclude all amendment of the main question, and it shall be in the following words, "That this question now be put".

The Hon. Member for Rosemont, who posed the motion today, virtually cut off all means by which the Opposition may have assisted the Government in improving a very bad Bill. It does not seem reasonable to us that a Bill as important to western Canada as the statutory rate for the movement of grain should be treated in this manner by a Government which is supposedly made up of democrats.

I found it strange to hear the Hon. Member for Regina West (Mr. Benjamin) speaking in the House just a few moments ago about the freedom of choice. I know that the Hon. Member does not hold a Canadian Wheat Board permit book. I am not too sure that he has ever held one, or that he understands how a permit book works. As a matter of fact, I think there are only two Members of the NDP who do hold either an A or B Canadian Wheat Board permit book.

An Hon. Member: Is that a bad percentage?

Mr. McKnight: The Hon. Member for Regina West was asking that the Government subsidize the railroads. He said, "Please, taxpayers of Canada, subsidize the railroads. Please, farmers of Canada, subsidize the railroads". He did not want anything for the farmers, the grain producers. He wanted the Canadian Pacific Railroad to receive a subsidy from the taxpayers of Canada. After all the things I have heard the Hon. Member say about the bad Canadian Pacific, here he is begging and pleading in the House of Commons to the Government, asking for subsidies to the Canadian Pacific Railroad. I find that to be really strange. We will not go into the employment record of the Hon. Member. However, I would like the Hon. Member to understand that under his proposal, a sort of freight VIA Rail would be created, something which would cause the two railroads of Canada to continue to escalate their cost, shoving it at the grain farmers of Canada as an individual cost item. I heard the Hon. Member for Regina West (Mr. Benjamin) condemn that process at the VIA Rail hearings, and I will hear him condemn it tomorrow. However, today the Hon. Member for Regina West, a Member of the NDP, is requesting that the Government allow the Canadian National and the Canadian Pacific Railroads to create the same increase and the same inflationary product there was with VIA Rail.

It is strange to discover who is criticized when the Party to my left gets into a problem. The Bill has been presented by a Liberal Government. The Progressive Conservatives are criticized, yet they are the only people who are carrying the debate, the only people who have maintained something of credibility in the eyes of the grain producers. They are trying to assist the Government and stop it from passing a bad Bill, and perhaps stop it from being completely wiped out forever in western Canada. I am not to sure that even we can do that.

The NDP proposed an amendment requesting a six month hoist. The vote was held the other night, but 35 per cent of its Members were not here to vote for their own amendment.

Some Hon. Members: Shame!

Mr. McKnight: Thirty-five per cent were not here to support a six month hoist. Even the Leader of their Party was not here to vote for the six month hoist. It makes one wonder whether they are just putting up a facade or whether they are really serious. They said they would fight the Bill to the end, that they would have nothing to do with the Bill. What did I hear the Hon. Member for Regina West ask? He moved a motion that Bill C-155 be referred to committee. I do not know what is happening over to my left. I notice that the Leader of the NDP is not there. I notice that his House Leader is absent. I just cannot understand the Hon. Member for Regina West who said, "We will fight the Bill. We will kill it. We will do everything we can". Yet at the first opportunity Members of the NDP had to vote on the six month hoist 35 per cent were

absent. Yet they are here today to move a motion that it be referred to committee. I am not too sure what to expect.

I would like to continue. When the Minister of Transport (Mr. Pepin) changed the Bill he added some crops; alfalfa meal and pellets, mustard seed, sunflower seed, sunflower seed oil and triticale. I do not know where the rational for the inclusion of these crops originated, or why the Minister of Transport wanted to include only those crops, however, I would simply like to read some numbers into the record.

In 1982, some 125,000 acres were producing lentils, in comparison to 16,000 acres producing sunflowers. In Saskatchewan, canary seed is a specialty crop, and in 1982, some 136,000 acres were used for that purpose, compared to 16,000 for sunflowers. Some people wonder what a specialty crop means. A specialty crop may be defined as being any grain or forage crop other than wheat, oats, barley, rye, flax or canola. Those crops are grown in Saskatchewan to produce a cash flow. Producers have used their own management ability to decide that by growing those crops they can generate more income than they could by growing other crops. That is something I know the Members in the NDP do not understand, but that is also called freedom of choice. That is using the management tools of a manager, a farmer, to grow a crop which will give him more return.

Mustard was grown in western Canada starting back in 1936. Canada is the largest exporter of mustard in the world today. We export to Japan, the EEC and the United States.

I should like consideration given to the inclusion of pulse crops, which are lentils, field peas, fava beans and dry beans. Pulse crop production and marketing is growing yearly in Saskatchewan. Western Canadian production of peas has increased from 53,000 acres in 1968 to 125,000 acres in 1980, and these are not included under the Minister's Transportation Act. It does not seem to make much sense when we hear people arguing against freedom of choice. That freedom of choice as was proposed by the Hon. Member for Vegreville (Mr. Mazankowski) and supported by our Party is one method of taking one of the bad items in the Bill which we want removed and making it positive. It does not require huge administrative machinery, as some would have us believe. The Western Grain Stabilization Program has the exact figures for every permit book holder in western Canada. It would not require a lot of effort and work to put another page in the Canadian Wheat Board permit book. This could be done on the volume that went through the book, and on the yearly average under the Western Grain Stabilization Program.

• (1900)

Let us consider the 31.1 million tonne cap that has been imposed by the Minister of Transport. If it means that farmers in western Canada, after they reach the 31.1 million tonnes, will have to pay the full cost of the movement of Board grains, people will look for other grains to grow, and continue to grow them. By doing so they would receive more money in their hip pocket. If they could receive more money by growing all those pulse crops such as canary seed Lentils, mustard and alfalfa, they would not dilute the benefit of the Crow on movement over 31 million tonnes.

I find it difficult to adequately express my concerns about this Bill in ten minutes. I hope I will have another opportunity to do so when it comes back to the House. I find it difficult to debate a Bill of this magnitude under closure.

Mr. Dan Heap (Spadina): Mr. Speaker, since the Tories have lost their guts I am willing to speak on this motion. The score now is seven Tories, six NDPs and one Liberal. It shows that the Tories have caved in and they are in fact unwilling to admit that they are supporting the Liberal legislation by refusing to oppose it. I am interested in speaking to this Bill as often as I will have the opportunity.

When I was a child I remember going to court in Winnipeg as a spectator to hear a damage suit against the Canadian Pacific Railroad. This suit arose from an incident in a little railway town in eastern Manitoba where a nine-year old girl going to school had been crushed between some boxcars that were being shunted. On the only day I heard my father speak on a case, he was acting for the family of the girl who had been killed. Of course, if he had not won the case after two or three years of debating it through to the Supreme Court, he would have had to pay the whole cost out of pocket because the father did not have anything, being a railway worker. He also had to deal with the fact that the CPR in the meantime had moved all the witnesses around the country.

The reason I bring this up now is that we are dealing with the same company which has used every means within the law, and a good many means outside the law, not only to cheat the public generally but often to cheat its own shareholders and very often to cheat its own workers. In this particular lawsuit, the company was finally found to be at fault in as much as it failed to put a brakie on the leading end of the boxcars being shunted. Had there been a brakie there, there would have been no accident.

At that time the company had the gall to argue that it had no obligation to have the brakie as far as the little girl was concerned because she was a trespasser. This occurred in a little railway town where this girl was following a beaten path from her home to school which she and others had followed every day for months. However, the company was shunting boxcars on that day and it claimed that the laws this country had passed specifically to regulate the railroad did not apply to the railroad because to this little girl was trespassing.

The Supreme Court finally threw that silly argument out and referred the case back to the court in Winnipeg where it was to be heard by a jury. When the company found that it was up against a jury of 12 Canadians, it caved in. It knew it had lost and decided to settle.

The point I am making is that this is a company which has savagely robbed and risked the lives of Canadians ever since it was charted in 1881, which is almost the entire history of Canada. It is continuing to do so today.

The company has the same hold on the Liberal Government now as it did on the Conservative Government of John A.

Macdonald and on the Conservative Government which held office a few years ago. Whether a Conservative Government or Liberal Government is in power, the CPR can use the Government in this Parliament of either of those two Parties to milk the public for the benefits of the shareholders of the CPR.

Within approximately five years of its incorporation, the CPR had received over $100 million in funding from the Canadian Government. A small new country had given it over $100 million, which represented the majority of its total claim funding of $175 million. While $100 million of that $175 million was public money, the CPR claims total and absolute ownership and right to profit from all of that public money in addition to the private money that was put in.

It also received close to 44 million acres of land, and up to 18 years ago when it sold off a half billion dollars worth of that land it still had immense holdings which it gave to Marathon Realty. Here we meet up with CPR again since Marathon Realty is CPR.

The main disrupting force to rational city planning in downtown Toronto has been Marathon Realty. it is the main force blocking us from developing railway lands. It was the main force in disrupting the use of the lands around what is now the site for the new concert auditorium that is to replace the previous auditorium in Toronto. Marathon Realty's lawyer has told me that they will never build rental housing in Ontario so long as Ontario has the affrontry to maintain a rent control law. In other words, Marathon Realty holds all Governments in contempt as well as the people of Canada. This land that was received free from the people of Canada is now used to blackmail the people of Canada and to try to destroy legislation passed by a Conservative Government for the protection of the tenants of Toronto.

I meet up with CPR again through its lead smelter in the eastern part of downtown Toronto which has for many years flagrantly polluted and poisoned the air around Pape Avenue with its lead dust, pollution it could have restricted but did not.

My point is that Canadian Pacific Railroad can well pay for all of the improvements that are needed. At a time when it claims it cannot pay for a half billion dollar tunnel through the Rogers' Pass, it is claiming to spend that amount to buy airplaines for its other subsidiary, CP Air.

There are dozens of companies providing revenue to Canadian Pacific Limited. Let me name a few of them. Canadian Pacific Limited's net income from CP Rail in 1977 was $65 million. By 1981, that figure had almost doubled to $127 million. Its net income from Canadian Pacific Enterprises, a great conglomerate, jumped from $170 million to $287 million. Its total revenues had almost tripled from $4,899 million to $12,336 million. Its total net income went from about one-quarter of a billion dollars to almost half a billion dollars during the five years from 1977 to 1981. Its total assets more than doubled from $7.6 billion to $16.3 billion. Yet Canadian Pacific clearly knows that it has so well funded the Tory and the Liberal Parties it is assured there will be no effective means of opposing a new money grab from the people of Canada.

• (1910)

Canadian Pacific Limited knows very well that the Tories will put up a sham battle and that the Liberals will put on closure in one form or another, as it has attempted, and CP will be able to rob the Canadian taxpayers. The working people presently pay $3 in taxes for every $1 paid by the corporations, and will do so until the new income tax laws come into effect. Then the proportion will be greater than that for the individual. Therefore, the tax money that is being donated free and unneeded—free to Canadian Pacific Limited—is the tax money of the working people of Canada. It is being stolen from them with connivance of the silent Tory caucus to my right and the Liberal Party opposite.

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, I am deeply distressed that the Government has decided to use its majority in the House to attempt to limit debate on this all important issue of the Crow. No single issue has aroused the concerns of western Canadian farmers for at least a decade as has the change to the Crow. It is equally true that no other issue has so divided public opinion in western Canada as has the Government's proposal to abolish the Crow and hence increase the farmers' transportation costs. Consequently, one can only regret that this Government should attempt to limit parliamentary discussion on this topic. It is my opinion, Mr. Speaker, that Government should attempt to encourage more discussion rather than curtail it when the issue before the House is as crucial to western Canada and is as divisive as this particular issue.

As you know, Mr. Speaker, agricultural conditions in western Canada have been severely depressed for some time, and I must with regret inform the Members of this House that this Government's policies have only aggravated those conditions.

The problem of western agriculture are severalfold, but the farmers' greatest difficulties lie in the fact that they, unlike most businessmen, do not have the capacity to control either their costs or the prices paid for their produce.

In many, if not most, economic endeavours the businessman has some opportunity to pass increased costs on to the customer. The farmer is in a largely unique position in that he has no such opportunity. He must sell the bulk of the produce on the world market, a market that unfortunately is most depressed at the moment. What we as legislators must do therefore is to strive wherever possible to help the farmer to limit his expenses in every conceivable way.

It is extremely regrettable, therefore, that this Government is proposing to abolish the Crow and hence to increase the farmers' transportation costs at precisely the worst possible moment. For that reason, I urged the Members of this House last week to postpone consideration of this Bill for six months so there would be more adequate time to consider the implications of this proposal. Unfortunately, only two-thirds of the NDP were here to vote on their own motion on that occasion, and the Members of the Liberal Party have been permitted to push ahead, regardless of the consequences.

As someone who owns a grain farm and has been in close consultation with many farmers in my constituency of Brandon-Souris during the last several months, I wish to take this opportunity to state unequivocally that many farmers are experiencing very severe financial problems. Those farmers need to be reassured that they are going to be able to continue in their chosen careers. The Bill before this House, unfortunately, has caused many to fear that they may not.

The vast majority of the farmers with whom I have been in contact recognize the need for an improved rail transportation system. They understand fully that the key to the agricultural industry's survival lies in attaining increased productivity and in moving additional tonnes of grain to market.

The Government's present plan, however, is seriously deficient in several vital aspects. First, the farmer is being asked to pay far too great a share of the costs of improving that transportation system. As I suggested last week in this House, the farmer must be protected from the spectre of rising costs on the one hand and declining world grain prices on the other. The answer is to guarantee by statute that the farmer's transportation costs should never exceed a ceiling of 7 per cent of the initial price of grain or 7 per cent of the average price for non-Board grains. While it is hoped that the farmers' share of the transportation costs would not reach that 7 per cent ceiling, farmers at least should know what their maximum costs could be. I would ask, therefore, that the Minister of Transport (Mr. Pepin) substitute my proposal of a 7 per cent ceiling for that of the overly expensive 10 per cent safety net he is currently proposing.

I have another serious concern with the Minister's proposal, a concern which is shared by many of my constituents. Where is the guarantee that the railways will provide the improved railway system promised by this proposal? Farmers, with good cause, have grown skeptical of this Government's promises over the years and they now understandably fear that they may not receive the improved transportation system for which the Government is expecting them to pay.

Finally, I and many of my constituents would like a written guarantee that we do not return to that system of variable freight rates which used to affect so detrimentally the interests of those farmers who were served only by branch lines. At one point in the history of western agriculture some farmers were severely penalized by the fact that they, by chance, had no choice but to use the services of only one elevator company and/or one railway line. Those farmers who find themselves in similar circumstances today want to be reassured that they will not be charged more for transportation than those who, again by chance, happen to reside in an area where facilities are more numerous.

I will conclude by reiterating that western Canadian farmers require an improved transportation system, but the proportion of the costs which are to be allocated to them must correspond to their ability to pay. Second, the Government must indicate more clearly than it has done to this point how it proposes to ensure that that improved transportation system will be made effective. Finally, the farmers' concerns about the possibility of the reintroduction of variable freight rates must be dispelled. These reservations are so significant that it is of the utmost importance that the Government's motion to restrict debate on this vital issue be defeated.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I heard some of the Conservative Members say that they have smoked me out. I do not think there was any problem smoking me out because I was prepared to debate this matter at any time. I am told by the mining industry of British Columbia that the Conservatives really want the Crow rate changed, but prefer that the Liberals do it. There is a lot of hypocrisy to my right. We will leave the Conservatives to their own internal problems, to decide which of their leaders, or would-be leaders, they are prepared to support.

I want to deal very briefly with the Crow rate and with the Liberal Party opposite. I see very few Members opposite.

An Hon. Member: There are four of them.

Mr. Waddell: There are five now.

Mr. Shields: There are six NDP Members here.

Mr. Waddell: I want to ask the people in British Columbia and Liberal Members just to visualize for a moment that all the forests and minerals of British Columbia were situated in the southern part of the Prairies. We would need some means to get our products to market. We would not have them on the coast at tidewater. We would need a statutory subsidy; we would need some method of help. That is the history of this country. That is why we give a subsidy to the Prairie farmers for grain transportation.

When people ask how we in British Columbia can support retaining the old statutory rate, I say there are all sorts of reasons. The main one being equity.

• (1920)

Mr. Shields: That sounds like a leadership speech.

Some Hon. Members: Hear, hear!

Mr. Waddell: The Conservatives should know about leadership. They are experts at leadership but at nothing else.

Let me deal with this matter in a little more detail. The mining industry in British Columbia is a great friend of the New Democratic Party. That industry is in great trouble now, not because of anything to do with us but because of world markets. That industry is coming to us saying we have to support the changes in the Crow rate because we have to update and upgrade the railways. Of course I believe in upgrading the railways, but not in making Canadian wheat farmers pay for that upgrading. That is a whole separate issue. I believe in improved rail capacity, but there other ways of doing it. Farmers cannot charge higher prices for grain because most of it goes to very competitive world markets. What will farmers do? They must absorb the cost. That means that farmers will buy fewer tractors, fewer cars and fewer consumer goods. As Don McGillivray, an economic journalist,

put it in his column, a Crow change could hurt the Canadian economy. He put it very well. He said:

> You can't get rich by taking money out of one pocket and putting it in another.

This legislation takes money out of the pockets of farmers and puts it into the pockets of the railways. That is really what this debate is about.

The Prime Minister (Mr. Trudeau) said we are reactionary because we will not agree to the change. We are not reactionary. The Crow rate was an historical bargain with Canadian farmers. If the Prime Minister means that we are reactionary because we want to preserve the structure of small towns and prairie life in which a lot of people take pleasure, then we are reactionary. I do not believe that is being reactionary; I believe that is being realistic.

I also object to the Liberal Government bringing in this change without really consulting farmers. It is a Government without support in western Canada. Again I make the point that if we were in the same position as the Liberal Government and we brought in a bill like this to fundamentally change the social structure of Quebec there would be a revolution. The Government has no right to change this matter.

The Government is not listening. It made changes when the Quebec caucus wanted some changes for Quebec farmers, but it will not make any changes for western farmers. It will not split this Bill. If the Government will not listen we will make it listen. There are various ways to make the Government listen. I do not think it is listening. There are very few Official Opposition MPs here this evening. There is very little interest by the Liberal Party in the debate, and there are very few of its speakers taking part. In other words, there is no listening at all, so I have no alternative but to move, seconded by the Hon. Member for Churchill (Mr. Murphy), the adjournment of this debate.

The Acting Speaker (Mr. Corbin): Order. Hon. Members have heard the motion of the Hon. Member for Vancouver-Kingsway (Mr. Waddell). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Corbin): All those in favour will please say yea.

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Corbin): Call in the Members.

The House divided on the motion (Mr. Waddell) which was negatived on the following division:

(*Division No. 360*)

YEAS

Messrs.

Althouse
Andre
Anguish
Benjamin
Blaikie
Blenkarn
Broadbent
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Deans
Epp
Forrestall
Fraser
Fretz
Friesen
Fulton
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
King
Knowles
Korchinski
Lambert
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Manly
Mayer
Mazankowski
McCain
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
McMillan
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Roche
Schellenberger
Scott (Victoria-Haliburton)
Skelly
Stevens
Stewart
Taylor
Towers
Vankoughnet
Waddell
Wise
Wright
Young—72.

NAYS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
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
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance

Messrs.

Prud'homme	Roy	Tousignant
Regan	Savard	Trudeau
Reid (Kenora-Rainy River)	Schroder	Turner
	Smith	Veillette
Roberts	Tardif	Watson
Rooney	Tessier	Whelan
Rossi	Tobin	Yanakis—133.

Motion negatived.

● (2110)

Madam Speaker: The Hon. Member for Vancouver-Kingsway (Mr. Waddell).

Mr. Waddell: Madam Speaker, I am rising to continue my speech on the Crow Bill.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: The Hon. Member has been recognized and has finished his speech. The Hon. Member for Calgary West (Mr. Hawkes).

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I would like to thank all the Liberal Members opposite for showing up to take part in this debate simply by voting to continue it.

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

Mr. Deputy Speaker: The Hon. Member for Vancouver-Kingsway (Mr. Waddell) was previously recognized. He used his time and finished his speech. He cannot be recognized again.

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

Mr. Deputy Speaker: Would the Hon. Member for Vancouver-Kingsway please state his point of order.

Mr. Waddell: My complaint is, Mr. Speaker, that I still have three or four minutes left in my speech.

Mr. Deputy Speaker: The Hon. Member, according to the records of the House, has no time left. The Hon. Member for Calgary West (Mr. Hawkes).

Mr. Hawkes: Mr. Speaker, it is interesting to note that there were 133 Liberals—

Mr. Deputy Speaker: The Hon. Member for Regina West (Mr. Benjamin) on a point of order.

Mr. Benjamin: Mr. Speaker, could I ask the Chair to tell us exactly how much time the Hon. Member has used up?

Mr. Deputy Speaker: The Hon. Member for Calgary West has the floor. The Hon. Member is not raising a point of order.

Mr. Hawkes: Thank you, Mr. Speaker. Of the 133 Members of the Liberal Party who showed up tonight to vote to continue this debate, not one single Member has had the courage to speak to the issue.

Some Hon. Members: Hear, hear!

Mr. Hawkes: At 12 noon today, Mr. Speaker, a Liberal backbencher stood in the House and moved closure on the Crow Bill. Since that time we have not heard one Liberal Member speak to that closure motion. Not one! There are 133 Liberal Members who say they want the debate to continue, but for what reason, Mr. Speaker, if they will not contribute to the debate? Are they ashamed? They should be, if they are not. Do they have a contribution to make?

An Hon. Member: Yes.

Mr. Hawkes: Do they have an excuse to offer? There are two Liberal Members elected west of the Lakehead, who are pushing through a piece of legislation in the House which is vital to the interest of western Canadians, and yet not one Liberal Member since 12 noon today has had the courage to stand in this Chamber and speak to the motion which is before the House.

[*Translation*]

Silence is the rule in this party. They acted the same way during the debate on the Constitution. The Members from Quebec did not have the courage to speak in the debate on the Crow rate.

[*English*]

It is an abomination of the democratic process that 133 Liberal Members will show up in this House to vote the way they are told, but not one single Member has the courage to stand up, enter into this debate and tell us why we have to discuss this under closure. Not one Liberal Member, Mr. Speaker, has entered into this debate, of the 133 Members whose constituents should take down their names, addresses and telephone numbers and the next time they get a chance to vote, they should take every one of those 133 Members of Parliament and chuck them out of this Chamber, chuck them right out.

Some Hon. Members: Hear, hear!

Mr. Hawkes: This is a fundamental change in the law of this country which affects the western Canadian region, and not one Liberal Member out of 133—

Mr. Deputy Speaker: Order. Order.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I find it rather difficult to believe that in this place an Hon. Member of the House can vilify a Party for having its—

Mr. Deputy Speaker: The Hon. Member is not making a point of order. The Hon. Member is giving an argument, not making a point of order.

Mr. Hawkes: Mr. Speaker, it speaks to a certain state of mind that when you can tell the thruth in this Chamber, a whole Party takes it as vilification. If the truth is vilification to the Liberal Party, so be it.

[*Translation*]

A party and its Members, ruled by silence.

[*English*]

When I asked to be put on the agenda to speak here earlier this evening, Mr. Speaker, it was the New Democratic Party and its hypocrisy which motivated me to speak. That motivation has been superseded by the hypocrisy of the 133 Liberal Members who show up to vote and do not show up to speak. I hope, Mr. Speaker, that we get some of them sufficiently energized to enter into this debate and to tell us why they think it so important—

Mrs. Appolloni: A point of order, Mr. Speaker.

Mr. Hawkes: —but the Hon. Member for Regina West (Mr. Benjamin), Mr. Speaker—

Mr. Deputy Speaker: Order.

Mrs. Appolloni: Mr. Speaker, on behalf of the Hon. Members on this side of the House, I would have it noted that there are those in this House who feel that if they have nothing intelligent to say, it is better to shut up!

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: The Hon. Member has not made a point of order.

Mr. Murphy: A point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member will be seated, please.

Mr. Murphy: Point of order.

Mr. Deputy Speaker: Will the Hon. Member please be seated. The Chair appeals to the House to observe decorum because it is very difficult to hear the remarks coming from Hon. Members. The Chair also would appeal to Hon. Members not to raise false points of order because the debate cannot be conducted on the basis of continuous interruptions based on false points of order. If the Hon. Member for Churchill (Mr. Murphy) has a point of order, the Chair will hear it.

Mr. Murphy: Mr. Speaker, my point of order, of course, is that I agree that the Liberal Member was correct, of course. If they have nothing intelligent to say, of course, they should stay down. But my point—

Mr. Deputy Speaker: The Hon. Member has to state a point of order. The Hon. Member is not making a point of order.

Mr. Murphy: My point of order, Mr. Speaker, is that, of course, the Leader of the speaker who is speaking at the present time is misleading the House—

Mr. Deputy Speaker: The Hon. Member for Calgary West.

Mr. Hawkes: Thank you, Mr. Speaker. I thought that the Hon. Member for Trinity (Miss Nicholson) had really done it when she gave us a new definition of intelligence—

Mr. Deputy Speaker: The Hon. Member for Kootenay East-Revelstoke (Mr. Parker) rises on a point of order. The Chair does not wish to recognize Hon. Members on false points of order. Hon. Members detract from the decorum of the House when they do so. If the Hon. Member for Kootenay West has a valid point of order, would he please state it succinctly.

Mr. Parker: Mr. Speaker, I am not the Hon. Member for Kootenay West (Mr. Kristiansen), I am the Hon. Member for Kootenay East-Revelstoke. I have a point of order. I believe that we have a responsibility to stand up in the House to express a point of order. The fact remains—

Mr. Deputy Speaker: Would the Hon. Member please express his point of order.

Mr. Parker: The point remains that you have been dictatorial in your manner of dealing with points of order.

Some Hon. Members: Oh, oh!

Mr. Parker: —and I have no—

Some Hon. Members: Out, out.

Mr. Deputy Speaker: If the Hon. Member, or any Hon. Member of his Party, has a complaint concerning the occupant of the Chair, the Hon. Member is aware of the procedures available and the methods to follow. Idle words will not serve his purpose, nor the purpose of the occupant of the chair. The Hon. Member for Calgary West.

Mr. Hawkes: Mr. Speaker, the Hon. Member for York South-Weston (Mrs. Appolloni), gave us in this Chamber a little earlier this evening a unique definition of an intelligence test. It is interesting to find out—

Mr. Deputy Speaker: The Hon. Member for Willowdale (Mr. Peterson) on a point of order.

Mr. Peterson: Mr. Speaker, I am somewhat shocked at the demeanour which we have seen tonight in this House. Let us continue with the debate. These baseless allegations made against the Chair only bring disrepute on the Hon. Members who espouse them. I, for one, commend the Chair in the way it is attempting to run this Chamber with decorum—

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: The Chair does not intend to recognize continuously Hon. Members who have not succeeded in establishing a point of order. For the last time, if the Hon. Member for Kootenay East-Revelstoke (Mr. Parker) has a valid point of order, will he please state it?

Mr. Parker: Yes, Mr. Speaker. I want to express my point of order. I think it is a valid point of order and I have tried all day today to express my point of order. This House has not given me the opportunity to express my point of order.

• (2120)

Some Hon. Members: Oh, oh!

Mr. Parker: The fact remains that the Chair has repeatedly stood up and stopped my point of order by saying that I do not have a point of order.

Some Hon. Members: Hear, hear!

Mr. Parker: I believe I have a point of order and it is this: the Speaker of the House has not given us the opportunity on this side of the House to express our concern as to what is happening in this House today.

Mr. Deputy Speaker: The Hon. Member is making an attack on the Chair. He knows the procedures. This is not a point of order and the Hon. Member is well aware of the procedures available. I suggest that he not attempt to use a false point of order, nor make threats against the Chair.

The Hon. Member for Calgary West (Mr. Hawkes).

Mr. Hawkes: Mr. Speaker, may I commend you for your patience and diligence. Earlier this evening we had the Hon. Member for Regina West (Mr. Benjamin) stand in this Chamber and talk about freedom of choice. Mr. Speaker, I was struck by the hypocrisy of that Member, just pure hypocrisy. The Liberal Party of Canada is the Party of silence, and the New Democratic Party, the Liberal Party West, is the Party of hypocrisy. I heard that Member stand in this Chamber and say that, given our freedom of choice, there would be—

Mr. Deputy Speaker: The Hon. Member for Comox-Powell River (Mr. Skelly) rises on a point of order?

Mr. Skelly: Mr. Speaker, I am certain it is a valid point of order. It pertains to the maintenance of decorum in the House of Commons, which is absolutely imperative if we are to maintain any credibility on this issue and beyond. Of course the Hon. Member for Calgary West (Mr. Hawkes) knows that what he has stated here is absolutely false.

Mr. Deputy Speaker: The Hon. Member is not making a point of order. There have been a whole series of interventions from the Hon. Member and the group with him—

Mr. Hnatyshyn: You are making fools of yourselves.

Mr. Deputy Speaker: —which are not points of order. They will have ample opportunity to participate in the debate. But in the interests of this House and of the respect and decorum that they owe the House and that other Members owe to them, I appeal to them to observe the rules and procedures.

Mr. Hawkes: Mr. Speaker, the NDP, the Liberal Party West, fails to understand freedom of choice because every time they are faced with a real choice of whether to serve their constituents or their own selfish interests, they always opt for the Liberals in that way serving their selfish interests and never serving the issues of their constituents.

Earlier this day, Mr. Speaker, the Hon. Member for Regina West (Mr. Benjamin) stood in this House and said: if you follow the proposals of the Conservative Party, there is going to be rail line abandonment. They would leave the impression with farmers in western Canada that they are in favour of stopping rail line abandonment. Back in December, 1979, there was a Government in place in this Chamber which had stopped the abandonment of 1,400 miles of rail line.

Some Hon. Members: Hear, hear!

Mr. Hawkes: What did Members of the NDP, the Liberal Party West, do about that? They threw that Government out of office and put in that bunch over there, the Liberal Party of Canada.

Some Hon. Members: Hear, hear!

Mr. Hawkes: Have the NDP Members travelled across western Canada and—

Mr. Deputy Speaker: The Hon. Member for Vancouver-Kingsway (Mr. Waddell). Again, the Chair has difficulty. When Hon. Members have raised spurious points of order which are not valid, it becomes more difficult to see Hon. Members as they repeat the exercise. But if the Hon. Member for Vancouver-Kingsway has a valid point of order, will he please state it?

Mr. Waddell: The point of order is that one has to tell the truth in the House of Commons and I wish to apologize for voting against Joe Clark.

Some Hon. Members: Oh, oh!

Mr. Hawkes: Mr. Speaker, I was just making the point that the NDP, the Liberal Party West, threw out a Government that was stopping rail line abandonment. The NDP Members, one right after the other, have stood in this Chamber and told us that it is important to move the grain. Well, any Member from western Canada can tell you clearly and absolutely that Canada is a healthier country with a better economy if the grain gets moved, if it is exported. The NDP says that is what they want. Well, Mr. Speaker, in December, 1979, the hypocrites called the New Democratic Party stood in this Chamber and threw out the Government that was moving the grain, Mr. Speaker. That is what they did. They threw it out. How can you believe members of a political Party who say they stand for the non-abandonment of rail lines and for the movement of grain, and the first time they are faced with a choice they throw out a Government which stops the rail line abandonment and a Government which in fact was moving the grain of western Canadians?

If you sit in this Chamber and listen to Members of that Party they will tell you they care about unemployment. Well, they threw out a Government that was creating 30,000 jobs a month, Mr. Speaker, then they replaced it with the Liberal Party of Canada which is losing 30,000 jobs a month.

Mr. Deputy Speaker: The Chair hesitates to interrupt the Hon. Member in view of the interruptions, but having made some allowance for the interruptions, the Chair has come regretfully to the conclusion that the Hon. Member's time has expired.

Some Hon. Members: Hear, hear!

Mr. Hawkes: Mr. Speaker, I would like to seek permission of the House for unanimous consent to continue.

Some Hon. Members: No.

Mr. Deputy Speaker: There does not appear to be unanimous consent.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, when I rose earlier on a point of order I did so, wrongly I admit, because of the accusations the Hon. Member for Calgary West (Mr. Hawkes) was making. I use the word "honourable" advisedly. I hesitated to speak on this issue because when it is referred to the committee I shall probably be chairing the committee that will deal with it and I want to ensure that the committee hearings are fair, forthright and complete. However, when a Member of the Opposition gets up and makes the accusation that the Hon. Member for Calgary West made here tonight, it cannot go unchallenged.

Some Hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): When the Hon. Member, without knowing the motivation of Hon. Members on this side, makes—

Mr. Lambert: The hatchet man!

Mr. Dionne (Northumberland-Miramichi): Yes, acts as a hatchet man, and I thank the Hon. Member for Edmonton West (Mr. Lambert) for his contribution.

Mr. Lambert: No; you!

Mr. Dionne (Northumberland-Miramichi): When he acts as the hatchet man, when he gets up without knowing what he is talking about and casts reflections on Members on this side of the House who come from areas other than western Canada, and suggests that we are not Canadians, we do not have an interest in Canada as a whole, that cannot go unchallenged.

Some Hon. Members: Hear, hear!

Mr. Waddell: How about talking about the Crow?

Mr. Dionne (Northumberland-Miramichi): When he says that we are the people who threw out a Government that was stopping rail line abandonment and leaves it at that, that cannot go unchallenged. He did not say that we were also the Party that stopped a Government that was prepared to impose excessive taxation—

Some Hon. Members: Oh, oh!

Mr. Dionne (Northumberland-Miramichi): —and that was prepared to do away with the universality of medicare and hospitalization, an that was prepared to Balkanize this country, then I cannot sit quietly by and let him get away with it. There are Hon. Members on that side of the House but the speech we just heard was not honourable. It was totally dishonest. I hope that in continuing debate of this matter we will in fact discuss the issue of the Crow rate. It is a situation affecting the livelihood of all Canadians, one which I hope will be debated in full in committee and one which will receive the serious attention to detail that it deserves.

• (2130)

When an Hon. Member of the House rises in an attempt to condemn a Party because its Members were here to vote when his own Party did not, when there were 51 Tories present, on an issue on which they had claimed to be the saviours of the nation except, of course, for the pious protestations of the socialists, one finds it to be stretching credulity to believe that they are really serious. I think that we can give the 51, or at least most of the 51 who were here, credit for being serious because they were here. However, like the story of the ten lepers who were healed, where were the other nine, or the other 69, or whatever it is they have here?

I therefore suggest to all Members of the House that, rather than trying to score rather hypocritical points, rather than trying to inflame the issue, rather than trying to divide Canadians and to protect one area of the country against another, we take a little time. We should all examine our consciences and look to the real motive of the debate, asking ourselves whether we are in fact promoting the unity, the prosperity and the future of this country or whether we are trying to destroy it. If we are trying to unite it, in uniting we had better start talking to one another. We had better start discussing with each other rather than hurling brickbats at each other, inflaming the issue and trying to divide.

Some Hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): Let us try to use reason. Let us remember that what was good in 1897 is not necessarily ideal in 1983. What was good in 1897 does not necessarily promote development, prosperity and growth in 1983. What was good in 1897 does not necessarily meet the needs of 1983. Let us bear that in mind. Let us talk to each other. Let us not talk at each other. Let us try to be a little conciliatory. Let us try to unite rather than divide.

Some Hon. Members: Hear, hear!

Mr. McKnight: I rise on a point of order, Mr. Speaker. The Hon. Member for Northumberland-Miramichi has just made a truism out of the statement made by the Hon. Member for York South-Weston (Mrs. Appolloni).

Mr. Stevens: I rise on a point of order.

Mr. Deputy Speaker: The Hon. Member for Saskatoon East (Mr. Ogle) was on his feet. Was it for debate or to raise a point or order?

Mr. Ogle: Debate.

Mr. Deputy Speaker: I will recognize the Hon. Member for York-Peel.

Mr. Stevens: Mr. Speaker, I was wondering if the Hon. Member would reply to the question, which is simply this: As he has such preconceived notions concerning the Crow, does he feel that he can carry on as a truly neutral chairman of the committee to consider the Bill?

Mr. Dionne (Northumberland-Miramichi): I would be glad to answer that question, Mr. Speaker. I have no preconceived notions about the Crow except to know that what was good in the nineteenth century is not necessarily, absolutely good in the twentieth century. That is what makes me different from the Hon. Member who just rose to ask me a question.

Some Hon. Members: Hear, hear!

Mr. Bob Ogle (Saskatoon East): Tonight, Mr. Speaker, it is quite obvious that there is much emotional tension in the House, yet we are debating a matter which I think, and I believe everyone in the House thinks, is a serious matter. It is important that when we discuss this matter we consider it seriously, we study it and we take advice. I say that for myself in the same way I say it for everyone else in the House.

The question involving the Crow is something which has been part and parcel of the life of the person who was born on the Prairies. I am a prairie person, as are many other Hon. Members. We will all attest to the fact that the Crow rate was something which was part and parcel of our upbringing. For that reason, people on the Prairies have always been worried when there was talk of a serious change in the socioeconomic structure put in place to make it possible for them to live in equality with the rest of the people in Canada. I think the people in this House understand that fact.

In past years, studying the problem of grain transportation on the Prairies has taken on a big proportion of the time and expense of western Canadians. Mr. Justice Hall, the former Chief Justice of the Supreme Court of Canada, has made a name for himself, as a Canadian person, as a result of his great care for the social and health needs of Canadians. As well, Mr. Justice Hall was asked to chair a commission to study specifically rail transportation and grain handling in the West. The commission studied the problem of the upgrading of railroads and the problem of how grain would be moved and how the movement would be financed, and then produced a report which I am sure everyone here has seen. This took place several years ago.

Mr. Justice Emmett Hall presented a summary of the commission's findings with regard to the Crow rate at a rally called "Keep the Crow" in Regina on November 24, 1981. Although I suspect that everyone here knows what Mr. Justice Hall said in the summary, it is important to consider his advice again. We have all taken advice sometime in our lives from our fathers, mothers, teachers, priests, ministers, grandfathers or from other older persons. As our life experiences went on, we frequently found that such advice became increasingly valid.

At the meeting in Regina in November of 1981, Mr. Justice Hall said, "If once tampering with the statutory rate is accepted or condoned or is an item put on the bargaining table, all will be lost". It was not a relative matter. He said, "All will be lost. For once the subject is on the bargaining table, it will only be a matter of time until it is lost, step by step". That is advice given by a person in whom I have great faith, one who understands the problem thoroughly. He went on to speak a little further at the rally. He said:

• (2140)

> There is no position to take except to adhere through thick and thin that the Crow rate is not bargainable.

I repeat that this is serious advice.

He then explained what the Government had already done. He said:

> Railways have been given the use, rent-free, of 14,000 hopper cars which cost roughly seven hundred million dollars besides money to rehabilitate their own fleet of boxcars—and money to rehabilitate their neglected lines on which they have been collecting subsidy.

Justice Hall clearly indicated that in order to carry the grain of western Canadian farmers it would require an input to ensure that the machinery and lines were in place to do that.

However, in the termination of his speech that day he concluded with what I would consider a kind of threat. It was a threat to those who had tampered. He said:

> Lastly, all grain producers and particularly those in Saskatchewan must be alerted to the fact that if the Crow rate can be breached and in time lost, that the next assault will be against the Wheat Board itself and the system of orderly marketing the west now enjoys. The danger signals can now be detected and must be recognized for what they will do in the long run.

I suggest that that is extremely serious. I suggest that this advice should not be taken lightly.

During this continuing debate Members have attempted to rise, sometimes in frustration, and say the same thing, through other means, but to flag the danger of what is taking place and not to listen to that kind of advice.

It has been suggested this evening that Members on the Government side do not have any seats in western Canada. That is an obvious and clear statement. It is an important fact because if one is not close to the advice it cannot be heard. When making those types of judgments without hearing the advice clearly, the odds are that a poor judgment will be made.

Again, I ask the Government side to reconsider seriously the advice that has been given to all of us by Chief Justice Hall. His statement did not concern any particular situation. When he gave us that advice through his report and later through his travels across Canada, he made it absolutely clear that he was against any tampering with the Crow rate.

I too would offer some advice. Since the Government's ear is a long way away from that of the Members who represent that

part of Canada, it should listen carefully to the advice coming from Members who live there. Let me repeat that as Government Members take this advice into account they should remember that Justice Hall is not a Member in this Chamber who is taking part in our controversial system but a Canadian with the good of Canada at heart. He has given this advice to all of us. Since my time is almost up, I wish to go on the record to state seriously that the advice given by Chief Justice Hall in his report to all Canadians should be seriously considered by the Government.

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, this public and parliamentary debate is now being seen in the West as legislation primarily aimed at killing our statutory Crow freight rate. Furthermore, it is unfortunate that Bill C-155 is not seen as at least an attempt at new legislation to improve our grain handling and transportation system in western Canada.

Surely this is the point and purpose of this entire debate: to replace the present Crow with a new policy that will stand the test of time, perhaps for another 86 years if necessary.

The opposition to Crow reform is primarily based on the concept that western grain producers cannot afford any increase in transportation costs. That is the basis for their opposition reduced to a nutshell. It is so regardless of whether that increase is two times the Crow or perhaps five times, comparisons which have been made freely in this debate.

This is the position of the National Farmers Union, the three Prairie Wheat Pools and the New Democratic Party. This was the thrust of their persistent lobby here in Ottawa over approximately three straight months, of which I am sure all Members are aware.

Some Members may have been visited by representatives of the National Farmers Union and three ladies in particular who represented their interests. They visited me in my office and gave me their point of view. I found it rather interesting. They persisted in their view that they could not afford the cost of higher rates. They said over and over again that grain producers could not pay any more toward higher freight costs.

Therefore I posed a question to these three NFU representatives. I asked them to assume that we will keep the Crow. How will we finance the ever-increasing grain handling deficit? I gave them some examples such as the loss in moving grain by rail, that is, the difference between the actual cost of moving grain and the statutory Crow derived revenue that comes from that .5 cent per tonne mile rate. I asked who will continue paying for hopper cars which are now paid for by the taxpayers of Canada through the federal Government, the grain farmers themselves through the Canadian Wheat Board or from the various western provincial Governments of Alberta, Saskatchewan and Manitoba. I asked who will finance the necessary Prairie Railway Rehabilitation Program and what would happen to the CPR's ten miles of mountain tunnel and the CNR's double tracking through the mountains that is now expected to be a major contribution by both railways. How would those costs be met without new and higher grain rail rates?

There is no guarantee that these rail line improvements can be financed and built, without a new grain handling and rail transportation system to replace the Crow. I repeat that there is no guarantee that these costs will be picked up by the federal Government or that the present program for hopper cars and rail line rehabilitation or the annual grain freight deficit of approximately $400 million will be continued at taxpayers' expense. Indeed, we are being very naive if we believe that.

If this is what "keep the Crow" means, then surely it also means that we are headed for state managed farms or the feudal system of the Middle Ages. I do not like either one of those concepts.

The Gilson recommendation to the Government almost a year ago was a good report. It was prepared by the best brains in western Canada. They were not politicians but practical, experienced farmers and livestock people. They persisted and eventually were able to coalesce around the reality that something had to be done, even though they initially could not agree what that something was that had to be done. Their consensus became a compromise eventually or what I term a trade-off which fixed the cash surrender value of the Crow at $651 million per year to be paid mostly to the grain producers on the western Prairies after a phased in payout over the six-year or seven-year suggested time frame of the trade-off. The trade-off also provided for a new blended grain freight rate to be determined on a cost basis every spring. It follows that this proposed rate cannot be a truly statutory rate since it changes every year, but it would be a rate resulting from a statutory process. It is important that we remember that difference.

• (2150)

I was personally very supportive of the Gilson recommendations, and I still am of the original recommendation in June, 1982. It was a well considered compromise by the people who knew the situation and devised a solution that received broad support in western Canada. I was also able to support the February 1 fifty-fifty program of the Minister of Transport (Mr. Pepin), although, I will say, somewhat less enthusiastically. But I was able to support the statement of the Minister at that time. This statement proposed that the Crow benefit of $651 million per year be split equally, with half going to the railways and half to the grain producers. It was shortly after this February 1 statement that the intense political lobby amounting to almost outright blackmail began and it came from two sources. The first was the three prairie Wheat Pools, Alberta, Saskatchewan and Manitoba, which favoured the "pay the railway only" proposal. The second was Quebec's UPA, the Quebec farm umbrella organization, and the Quebec Liberal caucus. Both supported the Crow benefit going to the railways only.

Finally, two Crow debate developments took place that changed everything in western Canada. This was the turning

point for me personally concerning how I feel about this whole debate. First, Bill C-155 was introduced on May 10 with the totally unexpected provision of paying the full amount to the railways and nothing to the grain producers in the west. Second was time allocation or closure, whatever you want to call it, that was moved by the Government after only two days' debate on second reading. These two developments caused an explosion of opposition by western farmers to Bill C-155, especially the "pay the railways only" provision. There was widespread anger, frustration and disbelief that such legislation could develop after all the good work done by the Gilson group. It was also this development that encouraged our Conservative support for the freedom of choice option that would allow western grain producers to designate who should receive that Crow benefit. Either the producers would get it themselves or they could designate that it go to the railways if they so desire. Unless this option is provided in Bill C-155 either at committee stage or in some other way, I have to say that I cannot and will not support this legislation.

Mr. Pepin: How much support do you have from your own colleagues?

Mr. Hargrave: Dr. Clay Gilson has quite recently indicated that this option or this approach could still be incorporated in a revised final transportation policy. He made that statement just a few days ago. Gilson also stated that Quebec's fears of excessive competition in its beef cattle and hog operations from western Canada are vastly exaggerated.

I want to conclude by reading an interesting letter I received quite recently. It is dated June 6, 1983, and it comes from a mixed grain farmer and cattleman at Aden, Alberta, located on the Milk River near the Montana border. His letter reads:

Dear Sir:

What is wrong with freedom? Specifically what is wrong with freedom of choice?

If we lived in the Soviet Union or one of their satellite countries we wouldn't have a freedom of choice. Government would make our decisions and choices for us. They would tell us what crops to grow, when to deliver it, and how much we get paid for it.

Increasingly the agricultural policies of the Government of Canada seem to be designed to weaken and undermine whatever freedoms we have left. If they go ahead with the "pay the railways" scheme it will essentially become unprofitable to grow anything in western Canada except wheat for export to the Soviets.

Mr. Benjamin: I rise on a point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Regina West (Mr. Benjamin) is rising on a point of order, but again I appeal to Hon. Members not to make false points of order.

Mr. Epp: Let the Hon. Member for Medicine Hat (Mr. Hargrave) finish, Les.

Mr. Benjamin: Mr. Speaker, I hope you hear my point of order before you decide whether or not it is false.

Mr. Deputy Speaker: I appeal to the Hon. Member to respect the rules and procedures of the House, as I am sure he will. Will he please state his point of order?

Mr. Benjamin: Mr. Speaker, you will not know whether or not my point of order is false until I have said what it is. I expect the Chair to hear my point of order. I want to ask the Hon. Member for Medicine Hat whether he believes that the livestock producers of Alberta want to rob—

Mr. Epp: That is not a point of order, that is debate.

Mr. Benjamin: —their neighbours, who raise grain, $25.00 or $35.00 a tonne when they lose the Crow rate. If that is what he is up to, I want to tell all the grain producers in Alberta—

Mr. Deputy Speaker: Order, please. Surely the Hon. Member realizes that he does not have a point of order. If he chooses to intervene in the debate that option is open to him. The Hon. Member cannot make complaints about the Chair when the Hon. Member in the course of one sitting has raised a whole series of false points of order.

Mr. Benjamin: I have another point of order, Mr. Speaker.

Mr. Deputy Speaker: Will the Hon. Member please resume his seat? The Hon. Member has to recognize that the Chair is trying to preserve decorum and respect for the rules and procedures of the House. The Chair appeals to all Hon. Members to remember that they have an obligation to do so. The Hon. Member for Medicine Hat.

Some Hon. Members: Hear, hear!

Mr. Benjamin: I have a point of order, Mr. Speaker.

Mr. Deputy Speaker: Order, please. The Hon. Member for Medicine Hat has the floor.

Mr. Hargrave: Mr. Speaker, I just want to finish—

Mr. Benjamin: I have another point of order, Mr. Speaker.

Some Hon. Members: Sit down.

Mr. Deputy Speaker: Will the Hon. Member for Regina West please take his seat?

Mr. Benjamin: I have another point of order, Mr. Speaker.

Mr. Deputy Speaker: The Chair does its best to preside impartially. The Chair has pleaded with Hon. Members not to raise false points of order. The Hon. Member for Regina West was recognized and he was given ample opportunity to argue his point. He did not have a point of order. I ask the Hon. Member for Regina West to consider perhaps letting the Hon. Member for Medicine Hat finish his speech. The Hon. Member for Regina West can be recognized for debate at the end. Apparently the Hon. Member has something he wishes to contribute to debate—

Mr. Benjamin: Mr. Speaker—

Mr. Deputy Speaker: —I am sure that before these proceedings are over the opportunity will be afforded to him again. The Hon. Member for Medicine Hat.

Some Hon. Members: Hear, hear!

Mr. Hargrave: Thank you, Mr. Speaker.

Mr. Benjamin: I have another point of order, Mr. Speaker.

Mr. Deputy Speaker: Order, please. The Hon. Member for Regina West does not have the right to interrupt the Hon. Member for Medicine Hat continuously on false points of order. There is a point at which the Hon. Member has to desist when he does not have a point of order. The Hon. Member for Medicine Hat.

Mr. Benjamin: I have a further point of order, Mr. Speaker.

Mr. Bachand: Sit down.

Mr. Benjamin: I have another point of order, Mr. Speaker.

Some Hon. Members: Sit down.

Mr. Deputy Speaker: Order, please. If the Hon. Member has a legitimate point of order—

Mr. Benjamin: I have another point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Regina West on what I hope is a valid point of order.

Mr. Benjamin: Mr. Speaker, I would like to ask you how you can rule in advance of anybody saying anything about whether or not it is a false point of order.

Some Hon. Members: Sit down.

Mr. Deputy Speaker: If the Hon. Member has a complaint against the Chair, he is aware of the procedures available to him. It is not up to the Hon. Member to reflect idly on the Chair and not to follow through with a motion. If the Hon. Member believes what he says, he should do so. In the meanwhile will he allow the Hon. Member for Medicine Hat to finish his speech?

• (2200)

Mr. Hargrave: Mr. Speaker, I just have two sentences left in the letter to which I was referring from Warren Brower of Aden, Alberta. He wrote:

> If the Government of Canada is determined to go overboard on their Crow legislation then the Soviet Union will be in a stronger position to shape and mould the Government of Canada.
>
> Perhaps we had better take stock of the freedoms we have taken so long for granted to see if we have a choice.

The cattle organizations and hog associations of western Canada will not accept Bill C-155 as it is now prepared and written, unless freedom of choice is included in it and made part of the Bill.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, the Hon. Member for Northumberland-Miramichi (Mr. Dionne) appealed to the House for Hon. Members to talk to each other. He said that we should speak to each other. He appealed for reason. The motion before us now is in exactly the opposite direction. It is to prevent discussion. It is that the question now be put. It has been impossible to discuss this subject reasonably. The Hon. Member for Regina West (Mr. Benjamin) wanted to put—and indeed he did put it but it was ruled out of order, a motion to refer the subject matter to committee. This is the kind of motion which would have enabled a really frank discussion for which the Hon. Member called. He asked for us to be conciliatory. Certainly this is the ideal way to be conciliatory, to go back to the drawing board, to hear all sides and to set out a procedure that is fair. To proceed in the way we are now is cutting off debate. Merely to refer to committee under the terms we now have will not be adequate. A committee can make only relatively modest amendments. There cannot be the fundamental rethinking of this legislation that is called for.

I have actually prepared a serious speech on this subject. I am glad to see that tempers have cooled off, and I hope to be able to give it. In order for us to adress the question properly, we really have to understand something about CPR. We have to understand its background and the kinds of subsidies the CPR has been receiving because this is fundamentally a transportation Bill, a Bill to give a lot more money to CPR. We must understand the immensity of the gifts of the Canadian public to CPR.

The subsidy to the company that was passed in 1881 was to the tune of $25 million. There was also a grant of 25 million acres of land. As part of the agreement, the Government was to complete the rail line it was then working on, Fort William to Selkirk and Port Moody to Kamloops or, in other words, 760 miles of the 2,600 to be constructed. It was to turn over this amount of rail absolutely free of charge; an enormous subsidy. The company would build the section from Callander to Fort William and from Selkirk to Kamloops, but all the land which would be needed for rail beds, stations, yards and water frontage was free land. The company was given the right to take stone, gravel and other construction materials from public lands. There was to be an exemption from taxation by any level of government forever on properties used for railway purposes; an enormous subsidy from the Canadian people. There was to be duty free importation of materials and equipment for construction, and there was a monopoly clause.

Mr. Daudlin: Mr. Speaker, I rise on a point of order. I regret that I do not have the actual Standing Order to put before the House, but I suggest to you and to the Hon. Member who is in the course of her speech that notwithstanding the difficulty she may have with the light in this place—and we all have that difficulty—I think the rules are quite clear that when Hon. Members rise in their places to speak they shall rise uncovered, which I believe has always traditionally meant that one takes off one's hat.

Mr. Deputy Speaker: I must call to the attention of the Hon. Member for Broadview-Greenwood (Ms. McDonald) Standing Order 32 which reads:

> Every Member desiring to speak is to rise in his or her place, uncovered, and address the Speaker.

Mr. Benjamin: Mr. Speaker, I rise on the same point of order. That rule says that men shall be uncovered, not women.

Mr. Deputy Speaker: The Hon. Member has obvious difficulty hearing. The rule very explicitly indicates "in his or her place". I regret that I must call it to the attention of the Hon. Member for Broadview-Greenwood. The Hon. Member will have to take the word of the Chair that it is with considerable regret that the Chair brings Standing Order 32 to her attention. Thank you.

Some Hon. Members: Hear, hear!

Ms. McDonald: Mr. Speaker, I would ask for unanimous consent to be able to wear a hat. The lights are excessively bright in the House. Hon. Members who are wearing glasses are all going bling as a result of the lighting in the House. I have been here for less than a year. I do not want to go blind. I am not a sheep like the rest of you.

Mr. Deputy Speaker: Does the Hon. Member for Broadview-Greewood have unanimous consent of the House to wear a protection against the glare?

Some Hon. Members: Agreed.

An Hon. Member: No.

Mr. Deputy Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Dionne (Nurthumberland-Miramichi): No.

Mr. Epp: Mr. Speaker, I rise on a point of order. I would hope that some sensibility would come to the House and that unanimous consent would be given. I point out to the Hon. Member who is now trying to run to his seat that when he said, "no" he was not in his seat and therefore it should be disregarded. I believe there was unanimous consent.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I would not want to let my colleague of the Opposition think that his party has a monopoly on sensibility. That is why I would urge my colleagues to understand that the Hon. Member ought to be allowed to make her speech with a hat on. I plead with my colleagues—

[*English*]

I plead with my colleagues to give their consent and to bring a little sense to the debate tonight. I ask them at least to understand that there are all kinds of reasons, but the one given by the Hon. Member for Broadview-Greenwood (Ms. McDonald) is extremely valid. I do not see why we should have a debate on it tonight. I am very anxious to listen to what Hon. Members have to say, not to delay by various procedures taking a decision tonight. Therefore I ask my colleagues, as the Hon. Member for Provencher (Mr. Epp) indicated, to allow the Hon. Member unanimous consent.

Mr. Thacker: Mr. Speaker, this Party agrees unanimously. We note that all NPD Members are blind ideologically but we do not think they should be blind physically.

Mr. Deputy Speaker: Is there unanimous consent?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I rise on the same point of order. Ever since I have been here we have heard about equality of the sexes in the House. I agree with equality of the sexes in the House, but there has continuously been blatant discrimination here. I moved a motion under the provisions of the old Standing Order 43 many years ago that there be equality in the House among Hon. Members of both sexes. It was not even allowed by the then Speaker who ruled in a rather imperial manner—

Mr. Deputy Speaker: Order, please. Does the Chair understand that the Hon. Member is refusing unanimous consent?

Mr. Dionne (Northumberland-Miramichi): Absolutely, Mr. Speaker.

Mr. Deputy Speaker: In that case there does not appear to be unanimous consent.

Miss Bégin: Mr. Speaker, I regret that you ruled on this just a few seconds ago. I wish the Minister of Health, who I think is a compassionate person, were also a medical doctor. She does not have the technical Ph.D. but has a lot of common sense. In the name of all Hon. Members, I would like to support the one who needs a hat because of the exaggerated volume of the lights in the House. I have written to the Speaker more than once on this matter. It is a physical problem which should be recognized and Hon. Members should be permitted to wear hats.

• (2210)

Mr. Flis: Mr. Speaker, two years ago I raised with Madam Speaker the matter of the damage these intense lights are doing to our eyes. I think the Hon. Member is correct when she draws this to our attention again. The reason she did not get unanimous consent is her reference that she is not going to be like the rest of the sheep in this Chamber. If the Hon. Member withdraws that remarks, she will probably get unanimous consent.

Mr. Deans: Mr. Speaker, I want to ask the Hon. Member for Northumberland-Miramichi (Mr. Dionne) to reconsider on a number of grounds. In particular, I think there has been considerable dialogue between the Members of the House of Commons and the administration of the House of Commons with regard to the problems that the lighting is causing. The Hon. Member is aware, I am sure, that there has in fact been a study under way for some time as to the effect of the lighting on the vision of the Members of the House. I want to assure the Hon. Member for Northumberland-Miramichi that if he should ever desire to wear a hat, we would be delighted to give unanimous consent to allow him to do so.

In the interest of my colleague who has been very detrimentally affected by the lighting, which happens to strike more severely on the back rows than it does on the front rows, I would ask that she be permitted on this one occasion, without establishing a precedent, to complete her remarks, which could not take more than five minutes, with the protection of the hat.

Mr. Deputy Speaker: The Chair will ask for the last time, is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: There does not appear to be unanimous consent. The Chair in the circumstances—

Mr. Lewis: Mr. Speaker, I rise on a point of order. I would simply like the record to show that there was unanimous consent from the Progressive Conservative Party. Unanimous consent was denied by the Liberal Party Members.

Mr. Deputy Speaker: I am sure Hon. Members will understand the reasons for which the Chair is ruling, reluctantly, at this point that there is not unanimous consent. I am sure it is quite clear to all Hon. Members that there is not.

Would the Hon. Member for Comox-Powell River (Mr. Skelly) please take his seat while I am standing. The Chair invites Hon. Members at this point to recognize the obvious fact that there is not unanimous consent. The Chair will therefore ask the Hon. Member for Broadview-Greenwood (Ms. McDonald)—

Mr. Skelly: Mr. Speaker, your tolerance is appreciated. The question really spoils over into a very interesting debate on a question of privilege. It would be my assessment that my privileges as a Member of this House are being impaired by those lights.

Some Hon. Members: Oh, oh!

Mr. Skelly: I wish to suggest, Mr. Speaker, if you would allow me to continue for a moment—

Mr. Deputy Speaker: The Hon. Member cannot challenge the fact that there is not unanimous consent. The Standing Order is clear. The Chair will not hear any further—

Mr. Skelly: On a question of privilege—

Mr. Deputy Speaker: No. Please. Will the Hon. Member please resume his seat. The Chair has heard considerable argument from representatives from all sides of the House and does not propose to hear any more argument on the Standing Order which is abundantly clear. There is not unanimous consent to dispense with it and therefore the Hon. Member cannot add to what has been said.

Mr. Skelly: Mr. Speaker, I rise on a question of privilege. I wish to know whether the Speaker is denying me the opportunity to raise a question of privilege which I understand to be in order at any time in which it is raised. Second, we are not debating or discussing the matter of the hat at this time and the reference under the Standing Orders. We are discussing—

Mr. Deputy Speaker: Order. The Chair does not quite understand how the Hon. Member can talk about privilege when we have had a very specific appeal under Standing Order 32. That is the issue. The Chair is ruling with regard to Standing Order 32, a very old Standing Order of this House, the origin of which is beyond any doubt and the application of which is clear. The Chair is ruling with regard to Standing Order 32 with genuine reluctance. The Chair would like to say to the Hon. Member for Broadview-Greenwood that if anyone sympathizes with the problem she has raised, it is the Chair. In the circumstances, the Chair must ask the Hon. Member for Broadview-Greenwood to remove her hat to complete her speech.

Ms. McDonald: Mr. Speaker, before resuming my speech, I would just like to point out that the remarks of the Hon. Member for Northumberland-Miramichi (Mr. Dionne) denying me the privilege of—

An Hon. Member: Don't reflect on a ruling of the Chair.

Ms. McDonald: I would like to point out that these were sexist remarks. My appeal to the House was on the basis of my eyes. I did not appeal on the basis of my sex. He assumes that when a woman rises, she is dealing with a matter of sex. This is a preposterous assumption. I happen to have extremely sensitive eyes. I resent his remarks. I resent his interpretation of it.

Mr. Deputy Speaker: I recognize the Hon. Member for Northumberland-Miramichi, and the Chair again pleads with Hon. Members not to raise spurious points of order.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I am not raising a spurious point of order. My point of order is that the Hon. Member has attributed to me motives that she does not know I have and which I do not have. When I can come into the House without a jacket and a tie, as she can, I will agree to what she wants to do.

Mr. Deputy Speaker: There is no point of order.

Ms. McDonald: Mr. Speaker, to resume my discussion of the subsidies to the CPR, among the enormous subsidies made to CPR were land rights, including mineral rights and timber rights. All together, $106 million in cash was received and about 44 million acres of land, including surface and mineral rights. It is impossible to say what the total gift was because the full value of all the subsidies has not been realized. According to John Gallagher in "To Kill the Crow", a rather useful book on the subject, and I quote:

> The land grant gave the CPR a mammoth fortune, of staggering dimensions, from which the company has drawn and continues to draw enormous profits.

The CPR profited immediately by selling some of the land, but more so by encouraging people to get free government lands and to hold theirs for the future sales. The City of

Vancouver was initially built on CPR-owned land; in other words, land given by the Canadian public to the CPR in the subsidies. By 1955-56, the CPR had realized $500 million net from the sale of land. It then turned over the remainder of its holdings to a holding company, Marathon, and in 1981 Marathon reported profits of $24 million.

Canadian Pacific Limited, which is the same company as the CPR only with a name change, is the largest and richest corporation in Canada today. In 1981 its profits were $485 million on assets of over $16 billion. Its rail operation is one of the most lucrative and one of the most stable sources of profit with $127 million in profits for that year, despite cries of Crow-induced poverty and the ravages of inflation. That is a preposterous cry with profits at that level. I again quote John Gallagher "To Kill the Crow":

> The far-flung empire and vast earnings of Canadian Pacific Ltd. are a direct result of the grants in land, resources, money and business opportunities given to the company by the Canadian people. Despite the efforts of the company to disguise itself, to separate its various parts from one another, to obscure its links to the past, it cannot escape its obligations. It's almost pathetic to see a company with profits of more than $2 billion in five years shamelessly claim that it does not have the revenues needed or investment in rail capacity in an attempt to wheedle public assistance. All of its assets come from transportation activities and the gifts given to the company to provide and maintain more transportation activities. There is no other source. Yet the company brazenly claims that it cannot fund improvements to the railway at the same time that it sends off $1.16 billion to the United States to buy a paper company and set aside $5 billion for its money-losing airline. The company is clearly in violation of the original charter—

• (2220)

Mr. Deputy Speaker: The Chair regrets to interrupt the Hon. Member but the time allotted to her has expired. She may continue with unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: There appears to be unanimous consent.

An Hon. Member: No.

Mr. Deputy Speaker: No, there is not unanimous consent. Is the House ready for the question?

Some Hon. Members: Question.

An Hon. Member: No.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, I should like to start by saying that the remarks of the Hon. Member for Northumberland-Miramichi (Mr. Dionne) reminded me of a very whiny little boy. When I used to go to school in northern Saskatchewan, if a guy was losing the ball game he would take his bat and ball and go home. Even the tone of the Hon. Member's voice and the way he whines, talking of a problem he knows nothing about, irritated me to a great extent. I wish he would listen now instead of speaking to one of his front-bench caucus colleagues, because I should like him to respond and show people across Canada that he knows nothing about Bill C-155 and, in particular, even less about the Crow rate. In no way should be consider himself a candidate for the Committee that will study Bill C-155. We want someone in the Chair who will be objective and take into consideration not only the wishes of the railway companies like the CPR and the grain companies like Cargill, but also the wishes of grain farmers throughout Canada. We want this to be a special Committee. We would like to see two NDP Members on the Committee in order to provide some kind of fairness and to offer us an opportunity to move and second motions within our own group in Committee to make changes.

We also want the Committee studying Bill C-155 to be able to travel across Canada. The Committee should have an opportunity to hear not only people who can afford to come to Ottawa and sit here for a few futile hours, if the Hon. Member for Northumberland-Miramichi is the chairperson, but also to travel across the country and hear from those people who cannot afford to come here—people who are the producers of the grains that the Bill so drastically affects.

I strongly oppose Bill C-155 because of the conglomeration of things it contains. It is an omnibus Bill with three main features. The first is the upgrading of the rail line system; second is the leasing of the coal lands; and third is the statutory rate itself.

We in the New Democratic Party believe the Bill should be broken up into at least those three separate and distinct parts. We see the need to develop a more efficient and better transportation system throughout the country, particular in areas of western Canada where the rail is so important in getting the primary product, the grains, to the processing plants and to the ports for export markets.

I think of a situation in my own area where a branch line goes into Meadow Lake. Hopper cars do not go into the delivery point there where there are about one million bushels of grain stored because the track is not heavy enough to support a fully loaded hopper car out of that point. There is a need to upgrade the transportation system. We do not think the cost of upgrading the track should be borne by the grain producers many of us represent. We have been trying to convince the Government that Bill C-155 will be very detrimental to their interests.

It must be remembered that even if the rail transportation system to the West Coast is upgraded by the year 1990, when the full impact of the new statutory rate will be felt, less than 20 per cent of the volume of traffic to be hauled under that rate will be grain.

The CPR has asked the people of Canada for $500 million to upgrade the rail transportation system, while at the same time it has drained that $500 million from its other subsidiaries for CP Air to buy a new fleet of aircraft. That is just robbing the people of Canada many times over. As the Hon. Member for Broadview-Greenview (Ms. McDonald) pointed out, the subsidiaries and the CPR itself have derived all their wealth from the handsome cash grants given at its beginnings, and from the land grants of some 43 million acres.

On the leasing issue of the coal lands, it is obvious that the CPR has been well enough provided for until now. The 43 million and more acres of land it received is reward enough for preserving the statutory Crow rate. Why should the CPR receive more gifts from the people of Canada to bleed off to the subsidiaries under its blankets? There is no reason that the people in western Canada who produce the grain should pay again and again because of the tax base being drained off when the rich coal lands, agricultural lands and urban lands were given to the CPR in the beginning.

The third issue is the statutory rate itself. We in the NDP do not believe that the CPR should get a cent more from the people of Canada without having equity in the company. On that issue some people would say that the CNR is not any better. Why should we have equity in CPR? I say to you, Mr. Speaker, and to the people who may be listening tonight, that the CNR was formed in 1923 by a Government that did not wish to see a bunch of private rail companies that had received handsome rewards from the people go into bankruptcy. That would have been a disgrace for the Government. It did not want to allow those companies to go into bankruptcy and rob the people who had invested their hard-earned savings in them, so the Canadian National Railways was formed. At the outset in 1923 it had a debt in excess of $1 billion. That is a lot of money even today, Mr. Speaker, let alone 50 or 60 years ago.

As the Hon. Member for Northumberland-Miramichi said, to take the rate in isolation is archaic. But you cannot take it in isolation, Mr. Speaker. You must look at all the other agreements that went with it to provide the statutory rate, the Crowsnest agreement, so the farmers could be competitive domestically and internationally.

If the Crow rate reaches what the Minister of Transport (Mr. Pepin) has proposed by the year 1990, it will mean millions and millions of dollars extra cost to the farmers in the constituency I represent. They cannot afford that, Mr. Speaker. Farm bankruptcies have increased by 130 per cent in the last year. If the freight rates go up as much as is proposed in the Bill, the price of grain will have to go up accordingly. They would not really be competitive because they would be outpricing themselves in the international markets of the world. They would not be able to sell the grain they produce right now in Canada, and we would not have that balance of trade to which the farmers of western Canada contribute in excess of $6 billion.

● (2230)

We in the New Democratic Party say it is a bad Bill. It should be split up. Certainly, the upgrading of a rail transportation system should not go on the backs of western Canadian grain producers.

Mr. Joe Reid (St. Catharines): Mr. Speaker, after all that has gone on heretofore with respect to Bill C-155 one might readily ask why I, coming from the heart of Niagara, the riding of St. Catharines, should rise to speak on this Bill. Let me say, Mr. Speaker, that the people of St. Catharines suffer from the same abuses and afflictions perpetrated in this country on all the other regions. In particularly, they now suffer from the same power abuses inflicted upon this House. My constituents in St. Catharines pay taxes as well, and since this Bill has been so aptly described as a "railway relief Bill" I would not be doing my duty if I did not rise to speak in opposition to it.

In addition, Mr. Speaker, St. Catharines is an industrial community. If the people of the West are suffering, as they are, from the abuses of the national energy policy, and if they suffer more by reason of the passage of this Bill, then I ask who will be purchasing those consumer goods which we in the Province of Ontario produce and want to sell? Where will those jobs be found for the numbers of unemployed who exist in my riding of St. Catharines? This Bill gives me the rare privilege of speaking on behalf of two communities, St. Catharines and my home community of Govan on the Prairies of Saskatchewan where my roots have been established, and where the people have for a long time suffered the infliction of these abuses. Now there is the possibility of one more. I would be betraying my roots, Mr. Speaker, if I failed to rise in opposition to this inflammatory legislation.

I, along with all other Hon. Members of the Opposition in this House, cannot think of a worse time for the Government to introduce changes to the Crow rate. Canada is only now, slowly and haltingly, starting to recover from the worst recession since the Great Depression of the 1930s. Having been born and raised in Saskatchewan I know what the Depression of the 1930s was all about.

Grain producers, like everyone else, have suffered enormously. In 1973-74 farmers were receiving $4.57 a bushel for No. 1 hard wheat. This fiscal year, the initial price for No. 1 wheat has been set at $4.63, an increase of six cents over what it was ten years ago. Inflation over that same period has risen 135 per cent. In other words, Mr. Speaker, the price of a bushel of wheat today should be in the order of $10.75 just to track inflation. It is not yet over the $5 a bushel mark. Needless to say, the western grain farmer has found it difficult simply to get by.

Net income in 1982 fell by 35 per cent over 1981 and the situation is not expected to improve this year because grain prices are down comparatively. By any reasonable yardstick, or should I say, metre stick, now is not the time to set in place a freight rate increase that will wrench some $155 million out of the prairie economy by 1985-86. Yet this is what the Government is proposing to do. I know the Government is disputing that figure, but I ask, on what basis? The Government claims that the prairie farmer will not be losing out because wheat prices will reach $12 a bushel by 1990. What is the magic in $12 a bushel? Why stop there, Mr. Speaker? Why not set the figure at $24 or even $36 a bushel and tell Canadians that the prairie farmers will soon be millionaires, so what is their problem in paying the freight rate? The simple fact of the matter is that no one seriously believes that grain prices will triple in under seven years. If the Government chooses to be optimistic about this that is fine, but why bankrupt the prairie farmer? It is abundantly clear to anyone

living and breathing today that this is the worst possible time for any tampering with the Crow rate. Only a callous, indifferent Government such as we have now would think of doing so.

Setting aside the freight rate increase aspect of Bill C-155 for a moment, I am appalled as well that the Government would scuttle the producer in favour of the railroads. A cynic might even suggest that the railways wrote this legislation themselves, for themselves. Indeed, under the terms of Bill C-155 the railways will receive 100 per cent of their long-run variable costs; 20 per cent contributions to overhead costs; 20.5 per cent contributions to capital costs and, by 1990, a 1,000 per cent increase in today's freight rate. And what does the producer receive? What does that primary producer of the West who established himself as the bread basket of the world receive? The producer sees his freight rate going up by five and a half times today's rate in under ten years. He loses his statutory protection. He has no performance guarantees from the railways for at least three years. And he has little or no choice in how he transports the products which he produces. That is the unacceptable portion of this Bill. It is unacceptable to the grain farmers and it is unacceptable to this Party. I mentioned earlier, Mr. Speaker, the effect Bill C-155 would have on my constituents who are approaching the point of no return.

This Bill is not in the nation's interest and should not be passed as it is. Canada is a trading nation and grain accounts for some $6 billion worth of exports annually. But, and this is often forgotten, Mr. Speaker, Canada must be competitive in the marketplace. Other nations besides Canada are competing for grain sales. There is no free ride for Canada. If our prices are not competitive, we will not sell those bushels to build up our export market. And, Mr. Speaker, the competition is stiff. You must establish your market and work for it.

Subsidies to producers exist in every major competing nation. Producers in Argentina are given free rail transportation for shipping their grain from station to shipping port. The grain farmers in the European Economic Market are subsidized to the tune of $2.53 a bushel. American grain producers are nearly on a par with Canadians. In fact, while we are dreaming up ways to soak the Canadian producer, the Americans are trying to work out ways to assist their producers. That is the difference between the Americans and this Government. Last, but not least, Australian farmers pay less than 50 per cent of the average cost of freighting grain, and their taxes on diesel fuel and gasoline have been reduced by six cents a litre. We must meet those nations head-on in the marketplace. If we fail to meet that kind of challenge, then literally billions of dollars in export sales will be lost to Canada.

I would be remiss, Mr. Speaker, if I did not mention the historical side of the Crow rate issue. I see the Speaker rising, but since the Government Members are not rising to speak, I wonder if I could have the unanimous consent of the House to conclude my remarks?

Some Hon. Members: Agreed.

An Hon. Member: No.

Mr. Deputy Speaker: It does not appear to be unanimous.

An Hon. Member: It was a Liberal who said no.

• (2240)

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I was pleased to see a friend of mine from the Niagara Peninsula remember his roots back home on the farm in Saskatchewan. I wish more of his colleagues who come from western Canada would get up in this debate and give us more support in our attempt to keep the Crow rate for western Canadian farmers, something that is so important to them and our whole country. I noted during the leadership campaign of the Conservative Party that most of the candidates were very wishy-washy when it came to making a clear statement of protecting the Crow. I am afraid that Party is going to cave in, so I am very pleased to see the Hon. Member for St. Catharines (Mr. Reid) get up and remember where his roots are and what those farmers back there want. I hope he can persuade some of his western Members to get up and make the same kind of speech.

I note also that the Hon. Member for Assiniboia (Mr. Gustafson) has been very quiet on the Crow ever since he supported a certain candidate in the leadership race. The new leader of the Conservative Party is not sure he wants to keep the Crow for western Canadian farmers. All of a sudden the Hon. Member for Assiniboia has been muted, he has become a political eunuch on this particular issue. He sits in this House dreaming the impossible dream of the day when he might be the Minister of Agriculture instead of the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) or the Hon. Member for Elgin (Mr. Wise). Where does he stand? Why is he not getting up in this House in favour of keeping the Crow for our farmers back home in Saskatchewan?

If this Bill goes through the House, Mr. Speaker, between now and 1990-91 the increase in the grain freight rate will be about 500 per cent for the farmers in the constituency of Yorkton-Melville. That will drive a lot of small farmers off the land. The price of hauling grain under the Crow is now around 16 cents a bushel. If you increase that by 500 per cent, it will be about 80 cents a bushel by the year 1990-91. There are a lot of farmers in my part of the country who cannot afford that, and they will be driven off the land by this insensitive Government across the way which does not understand the reality of western Canada.

It is also important, Mr. Speaker, that we keep the Crow because of jobs in urban Canada. If farmers are going to be driven out of business and they sell less and less grain, there will be less money in circulation to buy farm machinery and chemicals and other things that farmers need, and more and more people will be unemployed in eastern Canada, indeed in our western cities. If we get rid of the Crow rate and we let our competitors like the Europeans, Americans and Australians continue to massively subsidize their farmers for the shipment of grain, then our farmers will no-longer be competitive and we will lose grain markets around the world. As long as the Americans subsidize their farmers, as long as the Europeans support their farm prices and their grain prices, and the

Argentinians and the Australians as well, and we get rid of the Crow rate and in effect increase the price to producers of transporting grain, then they will no longer be competitive. That alone is a good argument for keeping the Crow rate for our western Canadian farmers.

Many Members of this House may not realize that the western Canadian farmer, particularly those in Saskatchewan, live further away from a sea port than any other grain farmers in the world. The farmers in Saskatchewan are about 400 to 600 miles further away from ports than the farmers in the U.S. who have the Mississippi-Missouri River system, or the Argentinians who have the ocean, or the Australians or the Europeans. If we get rid of the Crow rate and increase the cost of shipping grain by 400 per cent or 500 per cent in eight or nine years, then a lot of those farmers are going to be driven out of business because, once again, they will not be world competitive.

As far as jobs are concerned in this country as a whole, the farm machinery business of Massey-Ferguson or White Farm depend on the western Canadian economy and farmers staying on the land. If we slash our assistance to farmers, which is what the Crow rate is, and other countries continue to support their farmers or become more and more protectionist, then everyone in this country is going to suffer. It will be the country as a whole that suffers, not just the farmer.

This is not just a regional issue on the Prairies, it is a national issue of importance to all of Canada. That is why this Bill must not pass the House of Commons. That is why every Member should be aware of the irreparable damage being done. The fight to save the Crow has united many farmers and westerners who are often on the opposite side on political issues. The fight to keep the Crow is more serious than any that has been fought on the Prairies for many, many years. It is the most serious challenge our prairie farmers have faced probably since the great depression of the 1930s when we had a depression and drought at the same time.

Mr. Benjamin: And Liberals and Tories.

Mr. Nystrom: It is a fight which must be won, Mr. Speaker. We must persuade the Minister of Transport (Mr. Pepin) and the mandarins in his Department to keep the Crow. The farmers in western Canada need the Crow and they are going to keep it because it is so important to each and every one of us. It is very frustrating to see them buy, hook, line and sinker, the arguments of the CPR or the big grain companies that the rate must go up by 400 per cent or 500 per cent. It is very frustrating to see so many Conservative Members from western Canada sitting on their hands and remaining quiet when it comes to saving the Crow.

Some Hon. Members: Oh, oh!

Mr. Nystrom: Here they are not putting up any speakers any more. They have three times as many Members as we have.

Some Hon. Members: Hear, hear!

Mr. Nystrom: But they are putting up speakers at a rate of only one to one, and sometimes not even that. They are caving in. I suspect their new leader with all his ties in the corporate boardrooms and all his friends in the CPR, Power Corporation—

Mr. Kempling: And all your friends in the Socialist International.

Mr. Nystrom: With all the friends he has which are the same friends of the Liberal Party, he has said, look, I would sooner see us get rid of the Crow before the next election campaign because—I am told that Brian Mulroney was a Member of the Liberal Party. I am not sure about that.

Mr. Mazankowski: You ought to know, you have been there for the last five years.

Mr. Nystrom: The same difference, Mr. Speaker. He has the same friends and he is not going to stand up for western Canada. In fact, I have a quote here from him during the leadership campaign which says: "Montreal businessman Brian Mulroney agrees that the Liberal Government is going in the right direction on the Crow issue".

Some Hon. Members: Hear, hear!

Mr. Nystrom: No wonder the Hon. Member for Assinoboia sits very quietly in his seat. Brian Mulroney, the new leader of the Conservative Party of Canada, has already sold out western Canada by saying that the Liberal Government is going in the right direction on the Crow rate. No wonder the Conservative Party is not putting up a fight in this House. No wonder so many of their Members from western Canada are sitting on their hands. No wonder the Hon. Member for St. Catharines gets up and sympathizes with western Canadian farmers, because that is where he grew up. Mr. Speaker, I am afraid that the Conservative Party has sold out to big business, to the CPR. They have a leader who comes from the corporate boardrooms and wants to get rid of the Crow rate for the farmer. The Liberal and Conservative Parties on this issue are exactly the same. They are not interested in helping the farmer, they are more interested in helping the CPR. The CPR has probably been the biggest welfare recipient this country has ever seen. We have a Bill before the House which will give even more money to the banks. Therefore, in closing I make an appeal to Hon. Members across the way that they take another look at the Bill and withdraw it. If they do not there will be thousands of farmers on the Prairies who will go bankrupt because they cannot afford to pay the increase in the freight rates.

• (2250)

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, this is not my favourite day for speaking. I have followed the debate, if we could call it that, with some interest. We have now heard from the Hon. Member for Yorkton-Melville (Mr. Nystrom). I must say that it is a relief to hear some sober thoughts from that caucus today.

Some Hon. Members: Oh, oh!

Mr. Friesen: Incoherent, but sober.

I must say that this really began last week when we were debating the amendment the New Democratic Party put forward, one which was to give the Bill a six month hoist. We supported it, and we wanted to support it. The tragedy is that the New Democrats themselves did not support it because 35 per cent of their caucus was not here to vote, including some of the prairie Members, who were absent for the vote, as well as their Leader.

The Hon. Member for Yorkton-Melville spent part of his speech tonight attacking the Liberals for this legislation. I would remind him, and the people on the Prairies certainly know, that it was because of the New Democrats that the Liberals are in office and have had the opportunity to bring this legislation forward. It does the Hon. Member for Yorkton-Melville no good to shed crocodile tears tonight for what the Liberals are doing, because all along the New Democrats have been aiding and abetting the Liberal Party.

Mr. Fulton: I rise on a point of order, Mr. Speaker. I would just like to remind the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) that when this legislation was brought into the House, 37 Tories were missing and the Government only got in by 24.

Mr. Deputy Speaker: The Hon. Member does not have a point of order.

Mr. Friesen: The Hon. Member for Skeena (Mr. Fulton) does not have a point of order, and there are lots of other things he does not have as well.

Mr. Smith: Explain.

Mr. Friesen: Then the Hon. Member for Regina West (Mr. Benjamin) has the audacity to come in here tonight, after botching the vote last week, and bring a motion to refer the subject matter of the Bill to committee and stall the debate some more.

Mr. Benjamin: Don't you want to?

Mr. Friesen: The Members of the NDP are talking out of both sides of their mouth. On the one hand, they said that they would do anything to block the legislation, but on the other hand they say they want to send it to committee.

Mr. Benjamin: No, no, the subject matter.

Mr. Friesen: The Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) is already giving the House instructions as to what kind of a committee we ought to have. How do they want to have it? They want to block it at all stages and do anything to prevent it from being passed, yet on the other hand they want to sit on the committee. Where are they?

Then I listened to the Hon. Member for Kootenay East-Revelstoke (Mr. Parker) speak this afternoon about the Dominion lands in his riding. I listened to him as he very clearly said that the provincial Government ought to have all powers related to energy resources. That is not in agreement with his neighbour, the Hon. Member for Kootenay West (Mr. Kristiansen) who said that he and the former Premier, David Barrett, would turn over all their resources to the federal Government. If those neighbours cannot get along, it is understandable why 84 per cent of the people of Canada cannot get along with them.

Some Hon. Members: Hear, hear!

Mr. Epp: They are only part of the 16 per cent solution in Canada.

Mr. Benjamin: Benno, get some notes from somebody so you can keep talking.

Mr. Friesen: However, there is good reason why we should oppose the legislation. First, we should oppose it because of the process under which it was introduced in the House. For a year and a half the Minister travelled across the country holding press conferences, giving bits and pieces of information to the Canadian people as to what the Crow legislation ought to be. However, he never tabled a Bill in the House. He would not give us a Bill. He would not let us study it. All the while, he was giving pieces of information, to the Liberal lobbyists across Canada, just enough, at least the desirable parts which he felt they would like to have, so that they would lobby for the Government and put on the heat here, hoping there would be a stampede of support for the Crow legislation. We heard the people from the lumber industry in B.C. saying, "Support the legislation". This was said a year and a half ago when the proposals which the Minister brought to us were completely different from the legislation that was tabled a year and a half later. Those good Liberal lobbyists from the West Coast said to support the Bill, but then the Government radically changed the legislation, and the Liberal lobbyists still say, "Support the legislation". Is it any wonder why we give scant attention to the imprimatur of that kind of lobbyist? The process has been wrong, first, giving it by news conference, but also, by withholding it from the legislators so we could not study the legislation itself. The process is wrong.

Then around May 10, the Government brought in a complicated Bill with a complicated payout formula, a complicated subsidy formula. Two days later, it wanted to debate it. Then two days later, it wanted to impose closure. If the Bill is good, then it surely deserves open debate. Surely if it is that good it can withstand scrutiny under the light. Why is it that after two days of debate the Government wanted to impose closure?

When a Bill affects a $6 billion industry in one part of the country, when the livelihood, the lifestyle, the way of life of millions of people is affected, why should closure be imposed? Rest assured, as someone pointed out the other day, if it had been legislation with regard to the fisheries industry in the Maritimes it would not have faced closure in two days. However, it affects the farmers in western Canada. The well-versed Hon. Member said, "They don't have a subsidized industry". I wish that the Bill included a subsidy for the producers, but it is all going to the railways.

One of the things to which we object as being so wrong with the Bill, is that it enhances and perpetuates a monopoly for the railroads. There is absolutely no guarantee in the legislation that the $800 million, or whatever amount it would be per year, would go to the producers in any way, shape or form. I would ask the Hon. Member, who refuses to speak on the Bill, to look for any guarantee at all in the legislation that the $800 million which would be paid to the railways would enhance the transportation system for the grain producers of western Canada. They can spend it on anything.

Mr. Benjamin: Ask the NDP. They'll make them do it.

Mr. Friesen: We do not ask the NDP for anything.

This is why we find the legislation to be reprehensible. First of all, the process is wrong. Second, the principle is wrong. We should not perpetuate or make permanent a monopoly which will destroy the lifestyle of the people on the Prairies. It is wrong. There is no justice in it. There is no equity in it. That is why we oppose it. It destroys the incentive system of the farming community.

Mr. Speaker, I would call it 11 o'clock.

Mr. Deputy Speaker: Just to set the record straight, the Hon. Member's allotted time has expired.

• (2300)

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CROWN CORPORATIONS—CERTIFICATION OF 1981 FINANCIAL STATEMENTS. (B) INQUIRY RESPECTING POSSIBLE REPRESENTATIONS MADE TO AUDITING FIRM

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, my objection relates to the certification of the 1981 financial statements of Canadair. You will know from my question to the Minister of June 17 that I made the point that the certification by the auditors of companies is the entire underlying basis of confidence in our whole financial system.

In short, when we go out to buy shares in companies we look at the annual report of that company and we must be able to rely on the auditor's statement, that the auditor has gone through the financial affairs of that company, and that its financial affairs are solid and sound as reported. We know that auditors carry out an extensive examination and practically come to know everything about a company.

My remarks relates to the statement made by Thorne-Riddell on January 22 regarding the 1981 financial statements of Canadair. In that auditor's statement there were no comments with respect to the huge debt that subsequently arose. If that were a private company, hundreds and thousands of Canadian citizens might have gone out and bought shares, only to find that three weeks later Canadair showed a loss of $1.3 billion. That is how much the citizens of Canada have had to put up for Canadair.

I submit that it does not matter that Canadair is in a situation where there is only one shareholder, the Government of Canada, there is still something wrong. I directed my question to the Minister because I wanted to know how that could happen. How is it that the certification three weeks earlier before the demand for the money made no reference at all to that money?

Thorne-Riddell has a longstanding contract with Canadair and collects fees of $60,000 or $70,000 a year for professional services. I asked if the Government, any Cabinet Minister of that Government, the Board of Directors or any specific director implied, asked, forced or put any pressure on Thorne-Riddell so that we as citizens could not rely on that statement. The Minister did not answer properly; he did not give any answer at all.

The Cabinet is clearly involved in a cover-up. A task force was appointed to go through those financial statements and report. This was only after incredible pressure was brought to bear. But the Government is refusing to make that report available to the committee looking into the whole question. That is a cover-up. If there was nothing to cover up, there would be nothing wrong with producing that report.

Let me suggest why the Government will not give out that data. There is something in there that should have been reported to the shareholders, the Government of Canada, by Thorne-Riddell. I suspect that because Thorne-Riddell is a nationally respected firm there was some pressure put on it, either by the Cabinet, or the Board of Directors who are all appointed by the Cabinet. There is something wrong happening and I object to the answer given by the Minister.

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, my hon. friend raises an issue which has been raised in two committees examining the affairs of Canadair—the Public Accounts Committee and the Committee on Finance, Trade and Economic Affairs.

Canadair's auditors, Thorne-Riddell, have insisted in all of their testimony that they were not subject to pressure from either Government of management to conceal the financial situation at Canadair in the 1981 financial statements. They have defended consistently their judgment expressed when they signed the 1981 financial statements that the financial results represented a fair and accurate view of the situation according to generally accepted accounting principles in Canada. That was their responsibility as auditors. As a national firm with a professional reputation to maintain, Thorne Riddell would not allow others to substitute their judgment for the judgment of the auditors. That is what, in the final analysis, the matter is all about. Thorne Riddell assessed the

situation and concluded that the 1981 financial statements were satisfactory.

• (2305)

The issue was clearly put by the Auditor General, Mr. Kenneth Dye, before the Public Accounts Committee on June 7, 1983:

I think that the accounting principles employed here are the generally accepted accounting principles prevailing in Canada and that they are acceptable. There is a great deal of judgment used when you come to apply accounting principles and therefore, dates of commencement of full production and so on have a considerable impact on the financial statement. But it would be my view that the accounting principles are generally accepted in Canada.

There was no pressure on Thorne Riddell to make the judgment it did in early 1982, when assessing the financial situation of the company.

One can agree or disagree with the judgment that Canadair's order book for Challengers was sufficient to recover past capitalized costs. But, Mr. Speaker, it is specious and irresponsible to suggest that one of the country's leading accounting firms subordinated its own professional reputation, as is the alleged and unfounded suggestion that Government and the management applied improper pressures on the auditor.

MINES AND MINING—IMPACT OF STEEL IMPORTS

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, it gives me great pleasure to take part in a debate on a question I raised in this House on June 2 with the Prime Minister (Mr. Trudeau) with regard to steel dumping in Canada. On October 27, 1982, I raised my first question in the House with regard to the iron ore industry in Canada. Again tonight I would like to rise on the same point concerning the closure of iron ore mines, and the dumping of steel in Canada. There were 440 employees laid off at one site for a three-month period with a salary equal to $370,000. The amount involved at another site was another $370,000, and another three months. Three quarters of a million dollars, therefore, was taken out of the Canadian economy as a result of the dumping of steel products into Canada. Indirectly we are looking at over $2 million in one riding in Canada. There are numerous other areas of Canada in which the iron ore industry has been affected.

I would like to address a few points outlined in a letter I received from the Managing Director of one of the mines. In part his letter reads:

The effects on the Canadian steel industry of the economic downturn in 1982 are well known, and only too visible in your own riding. Strict cost reduction, cash conservation measures, and a general belt tightening have resulted in lengthy closures of steel mills and iron mines, and the resultant lay-offs and hiring freezes.

There is, however, another factor which compounds and aggravates the domestic market weakness which is controllable by the federal Government, that is, dumping of steel on the Canadian and American markets by foreign producers.

This letter is very long, so I shall just quote several parts from it. It goes on to state:

In the 1982 annual reports of the Canadian steel companies, one can detect an increasing sense of frustration at the inability, or unwillingness of the federal Government to limit imports to protect the jobs of Canadian producers.

The problem is serious enough in both Canada and the U.S.A. that domestic steel producers are being seriously injured, and growth of domestic producers will be restricted in the future.

The chairman of Algoma Steel Corporation and Peter Nixon, President and Chief Operating Officer stated:

• (2310)

The surge of low priced steel imports into Canada from countries with excess capacity or with subsidized steel industries caused an unhealthy accumulation of inventories that threatened to disrupt the domestic market. Continuing vigilance by the federal Government on monitoring of steel products entering Canada and prompt investigation of suspected dumped or subsidized imports is important to Algoma and to the Canadian steel industry.

I know Mr. Speaker has had a long day, but I would like to continue reading from this letter as follows:

Regarding the problem of dumping in general, it is a long, complex and expensive procedure and by the time all aspects of a dumping investigation are completed, a company can be permanently injured. In fact, if it were not for the support of the Corporation, Atlas Steels would be in a difficult financial position. We need a better process and I urge that the Government and Canadian steel producers work together to create procedures that, while allowing free and fair trade to continue, do not allow dumping to impair the health of our domestic industry and jobs of our workers.

In closing, I urge the Prime Minister and the Government of Canada to look deeply into the problem of dumping steel into Canada.

[*Translation*]

Mrs. Thérèse Killens (Parliamentary Secretary to Minister of State (Mines)): Mr. Speaker, when the Member for Timiskaming (Mr. MacDougall) rose in the House on June 2 of this year and put his question to the Hon. Minister of State for Mines (Mrs. Erola), the Minister's answer at the time was that the problem was due to over-production of iron ore. I did say over-production.

For a more detailed answer to this question, it is unnecessary to dwell at length on the depressed situation of the world's economy. It is enough to say that the world economic situation was weak in 1980 and 1981, and became even worse in 1982. We are now seeing some signs of improvement, but it is still too early to speak of any sustained activity.

To give some indication of the situation in the steel industry throughout the world, I shall give a few statistics for 1982. Consumption of steel dropped 34 per cent in the United States, 34.9 per cent in Canada, 3 per cent in the Common Market and 1 per cent in Japan. With the slump in demand, steel production dropped 38.2 per cent in the U.S., 19.6 per cent in Canada, 11.6 per cent in the Common Market and 2.2 per cent in Japan. These figures show that generally, the drop in production was greater than the drop in consumption in these countries, while in Canada, the reverse has been true. We might say that Canada seems to be better off.

During this long period of depressed markets for steel, producers throughout the world have become very aggressive

in competing for markets, and prices have remained low. Reference is often made to unfair trade practices such as production subsidies and dumping, which occurs in most countries, including Canada. There has been a major dispute about steel trade between the United States and the Common Market. Many other trade conflicts have been occurring on the world market.

Revenue Canada has become twice as active in monitoring steel imports. A number of cases of dumping have been revealed in Canada. Revenue Canada is now proceeding with an investigation. Although dumping is forbidden, Canada cannot afford to take an overly protectionist stance as far as the steel trade is concerned. Canada exports a host of other products besides steel, especially mineral products.

In the specific case of the Adams Mine, production ceased at the beginning of May and is to resume on August 1. Subsequently, the Sherman Mine is to close down temporarily until October 31. Both mines belong to Dofasco, which has organized production in its mines in terms of the ore requirements of its steel mills in Hamilton. Although there are temporary shutdowns in the mining industry, Dofasco expects to be operating the Adams Mine in 1983 at about 80 per cent of its normal capacity in other words, at the same production level as in 1982.

There is some solid indication that the demand for steel in the western world in 1983 is slowly improving. This should result in a stronger demand for iron ore towards the end of 1983 and in far better prospects for the iron ore market in 1984.

● (2315)

[*English*]

FARM CREDIT CORPORATION—PLIGHT OF FARMERS WITH HIGH INTEREST RATE LOANS. (B) DEVELOPMENT OF AGRI-BOND PROGRAM

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, we would all like to see the Chair and others have a rest after this day. I am quite prepared to reduce my intervention as long as the Parliamentary Secretary does not use up the extra time at the other end in his response to me. I think we are all agreed that we should keep it short.

On June 16 I had a response from the Minister of Agriculture (Mr. Whelan) to a question posed to him regarding the Farm Credit Corporation and rates that were being applied at 16¾ per cent. Farmers were locked in when the rates were that high. The farmers locked into those rates were having a great deal of difficulty trying to renegotiate or refinance at lower rates. The rate today of the Farm Credit Corporation is 12¾ per cent.

There are several points that need to be made, and I will not try to get into the agri-bond issue tonight. That was a supplementary question. The basic point is that this is a Crown corporation under the jurisdiction of the federal Government. The interest rates were being charged for approximately half a year at 16¾ per cent at a time when many people could not get financing in other areas. Indeed, the interest rates were very high at the regular lending institutions at that time and 16¾ per cent looked better than some others. That was fine, but in many cases those people were under distress. They were having difficulty refinancing. They were having difficulty making ends meet. These people are now stuck at those rates for a period of five or ten years, or whatever, depending on what happens to the rates when they have to refinance. They have to carry that 16¾ per cent, but are unable to do so.

There should be a mechanism, because it is a federal Crown corporation, whereby those people can refinance with some degree of certainty, even if they have to use another institution as intermediaries. There should be some mechanism so that the Farm Credit Corporation can give them the assurance that they will take them back as customers and allow them to carry on at the lower rates. Otherwise they too will find themselves in a distress situation and this will put an extra drain on the federal treasury. In fact, it will bring into question its viability. I think this is a reasonable request. Even though the Minister of Agriculture perhaps does not remember saying it, he said he would have an answer in a month. I can quote from *Hansard* for April 26 where he said precisely that. This is a reasonable and important request, something the Government should and hopefully will pay attention to.

[*Translation*]

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I will try to be brief and co-operate with the Hon. Member for Bruce-Grey (Mr. Gurbin) by saying that during the period when interest rates reached unprecedented levels, namely from April 1981 to December 1982, the Farm Credit Corporation of Canada made loans to farmers at rates as high as 16.75 per cent for terms of up to 30 years. The Farm Credit Corporation of Canada borrowed money from the CRF at 15.75 per cent. Since the Corporation's interest rates dropped to 12.75 per cent on April 1, 1983, it has come under strong pressure to lower its rates on unpaid loans at high rates. However, its margin of profit is historically limited to 1 per cent and the Farm Credit Corporation has been unable to accumulate enough undistributed profits to be in a position to reduce the high interest rates on the loans which have been made to eligible borrowers. The Minister of Agriculture (Mr. Whelan)

is now considering various options to help those farmers, but I should point out to the Hon. Member that such a measure would cost the Government a lot of money since the amount of lost interests would exceed $100 million. Those factors must be taken into serious consideration before a final decision is made on this issue.

[*English*]

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at eleven o'clock.

At 11.20 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, June 21, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed from Monday, June 20, 1983, consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport and the Motion of Mr. Lachance (p. 26521).

Mr. Douglas Roche (Edmonton South): Mr. Speaker, once more we open up this debate on the Crow following a day, yesterday, that had its high moments and low moments.

Mr. Friesen: Mostly low.

Mr. Roche: I think it was mostly low—

Mr. Smith: Except for your speech, Benno.

Mr. Roche: —when our friends in other parts of the House intervened.

Today I want to start out by expressing real concern on the part of the West. I would observe that an urban Member of Parliament is speaking, because we want to emphasize the point that this is not just an agricultural question, although it is certainly that. It is not just a question of transportation, although it is certainly that. It is not just a western question, although it is certainly that. But it is a national question, and every Member of Parliament who has concern for the development of transportation and agricultural policies which will benefit not only our own people here in Canada but also the world, which needs the grain that Canada is able to produce, all Members of Parliament who have those concerns want to enter this debate. We want to enter it especially because of the form of closure or whatever name applies to the motion now before us to cut off this debate at a time when the Canadian people are expecting us here in Parliament to represent their interests.

I think, Mr. Speaker, that the Bill before us, Bill C-155, has the same potential for hurting our national unity and our economy as did the constitutional Bill, the National Energy Program, the Government's economic policies and its failure to honour pledges to western Canada through the Western Development Fund. This Bill before us has the same potential for wrecking unity and hurting people directly in the most severe economic ways. To limit the debate in the manner that the Government is doing is reprehensible. So we are here, Mr. Speaker, attacking not only the principle of this Bill but the manner in which it is being railroaded through the House of Commons.

We are going to continue our discussions, our protests, and our representations on behalf of the people of Canada who do not deserve to have the Crow, the Magna Carta of the West, destroyed. The Bill is as important to us as are language and cultural considerations important to the Members from Quebec and all those debates that we have been through. Throughout several years in the House we have heard of the need to satisfy the people of Quebec, and the whole question involving French Canadians. I say to Your Honour that what we are wrestling with now is a question of equal importance.

• (1110)

Since 1980 we have seen the Government using time allocation and closure measures some 22 times, 22 times in the life of this single, never ending session of Parliament. I believe that not only is it an insult to Parliamentarians who are here trying to represent the interests of their constituents, but it is also a very sad comment on how the Government is treating Parliament itself.

There is perhaps a special impetus felt by the prairie Members of Parliament to represent the interests of western Canada, because those interests are obviously not being represented by the Government Members since, to begin with, they only have two west of the Lakehead. In the debate, I have not heard much input from those two Hon. Members on behalf of western Canada. Naturally, it falls to western Members, who are legitimately concerned with the interests of their people, to continue the fight.

We cannot help but feel that it is western Canada that is especially being victimized by the Government's high-handed tactics. I want to ask you, Mr. Speaker, whether you could imagine the furor which would result should the Government decide to rip apart the auto pact, which is Ontario's economic mainstay, so perfunctorily. Would the Government have proceeded with such abandon to make wholesale changes to its bilingual policy, which is Quebec's lifeblood? Consider the care and attention which are paid to the Atlantic region's fisheries sector via the Kirby Report.

I believe that those instances that I have mentioned here just in passing illustrate the depth of certain questions with regard

to certain regions of the country. The Crow rate is of equal, if not surpassing, importance to the lifeblood of western Canada. That is why we are on our feet again and again, and we will continue until the Government uses every last stop measure that it can possibly pull out of the rule book to end this matter.

If the Government is to continue guillotining the Crow, so be it. Let the people of Canada know where the Government is going. I would prefer that the Government would recall what it said in introducing the Western Development Fund some time ago. It stated, "The Government does not prejudge the disposition of these funds. Westerners will have much to say in this decision, as they should, and they will find the federal Government eager to listen". How hollow are those words! Western Canadians are still waiting for the Government's purported eagerness to listen.

Mr. Pepin: For three years the West has been saying, "Do something". Where were you all that time?

Mr. Huntington: Do something right.

Mr. Pepin: Pathetic.

Mr. Roche: At the heart of the principle of the Bill, is the question involving the freedom of choice, about which we have heard a good deal in the debate. The question was opened up by my colleague, the Hon. Member for Vegreville (Mr. Mazankowski). To repeat, it is the freedom of choice for which we are arguing, in directly attacking the principle of the Bill. Freedom of choice would allow the producer the choice between taking the Government subsidy or forwarding it on to the railways. That would correspond to the position of my own provincial Government, the Government of Alberta, which has heavily criticized—

Mr. Pepin: What about Saskatchewan?

Mr. Roche: —the payment of all benefits to the railways alone, on the grounds that Canada will lose the opportunity to make market responsive improvements to both the grain handling system and to the economic development potential in western Canada.

• (1115)

We have statements on file made by the Alberta Government which have already been sent to the Government. These are statements made particularly by the Ministers of Economic Development and Agriculture in the Government of Alberta who have noted that it is their intent to see that the federal Government lives up to previous commitments that it has made to western Canada, and commitments in particular which are in the best interest of Alberta's agricultural and economic development.

The question before the House now concerns the benefit paid directly to producers. Canada is going to lose the opportunity to make market responsive improvements to both the grain handling system and the economic development potential in western Canada. We consider that to be really an unfortunate move in the extreme because of the dangers that it will present to industrial development and agricultural potential in western Canada. Those are the questions before us.

The Ministers from the Government of Alberta concluded their argumentation by noting that if the reported changes are made, that is, giving the subsidy entirely to the railways, the federal Government will have ensured that the Crow rate benefits will have been lost and that any offsetting economic development benefits will have been sacrificed.

I see that my time is short. Once again Members are forced to summarize their argumentation rapidly on an extremely complex Bill. My colleague from Vegreville went to the point of listing 14 points that are the heart of this Bill. I simply say that it is very unfortunate and harmful to intelligent debate and discourse in this House for the Government to keep imposing time allocation, so that Members are prevented from fully elaborating, on behalf of their constituents and the people of Canada, the full ramifications of this Bill and what it will do to our whole national fabric.

Hon. Edward Broadbent (Oshawa): Mr. Speaker, in addressing this important issue I want to expand upon some points that my colleagues have previously made in this debate, and upon two points in particular which I want to address to the nation as a whole and not simply for Canadians living in the Prairies or any particular region of Canada. I want to make these points in the national interest of the country.

The Bill that the Government has before Parliament ought to be defeated, taken from this place, and not brought back. The point has been made on numerous occasions that this Bill is wrong in principle.

The principle of the Crow rate is to be accurately regarded as the Magna Carta of the West. As many Members have said, it is fully comparable in its significance to language rights for minorities in different parts of our country and, as the previous Member just said, comparable to the Canada-U.S. automotive agreement for working Canadians in other parts of Canada. The point I want to make is that in principle it is important to keep this commitment that was made to our prairie Canadians many years ago. It ought not to be changed because of that principle.

I want to go beyond that question to deal with the basic matter of dollars and cents. I have heard some Canadians question how we can continue subsidizing the prairie farmer to the extent that we have in the past, and that surely it should be changed. On behalf of my Party I want to say that surely it should not be changed. Let me explain why.

If we look at the international grain trade market and consider who our principal competitors are, they are the United States, Argentina, and Australia. What is the situation in terms of grain farmers in those three countries?

In the United States the degree of subsidy for the over-all cost of shipment of grain is higher than that provided to Canadian grain farmers. That is the first point.

• (1120)

If you move to Argentina, not only is the subsidy higher but there is virtually no cost at all in terms of transportation, for Argentinian grain producers when it comes to shipping and transporting their grain to ports for export elsewhere in the world.

Then there is Australia, another great grain producing nation, a nation with which our farmers have to compete, and again the economic reality is that most Australian grain producers have half the distance or less to ship their product to port before it is exported elsewhere in the world.

If you look at all three of these countries you find a situation in the first two where subsidies given to the farmers are much higher than are given to Canadian grain producers, and in the case of Australia, our other major competitor, Australian transportation costs are much lower simply because the Australian farmers do not have to ship their grain as far.

In spite of this, in spite of the subsidies which the United States provides, in spite of the subsidies which Argentina provides, in spite of the great advantage the Australian grain producer has, Canadian grain producers earn for Canada—and that is the point I want to make, our grain producers do not simply earn for the Prairies, but they earn for all Canada—some $6 billion in foreign exchange. That was the case last year. We should be thankful for the Canadian grain producer that his sector of the economy has functioned so well that it has brought in that revenue benefiting Canadians from coast to coast.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Instead of continuing to assist our farmers, instead of providing some acceleration in the benefit to this very productive part of our economy, the Liberal Government is moving in just the opposite direction. It is going to increase the cost to the typical grain producer on the average by $6,000 per year, over the period of a decade. That means, on the average, a 500 per cent increase. It means, Mr. Speaker, the kind of increase that no other worker, no other sector in the Canadian economy would tolerate, and we say, in this Party, that Canadian farmers should not have to tolerate that kind of increase either.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I want now to come to the question of subsidies. Having made the case, it seems to me that it should be self evident, except to anybody on the Government side of the House, that some subsidy is indeed warranted, warranted in principle because a commitment was made, warranted in terms of dollars and cents because of the revenue our farmers bring into Canada. But I also want to come to the question of how that subsidy should go out.

We are saying that when it comes to the CPR, in terms of its actual costs above and beyond what the CPR gets from grain farmers for the Crow rate, it is appropriate for the rest of Canada to pay the subsidy up to that actual cost for the shipping of grain because of the benefits that the earned revenue from grain provides for all of Canada. And because of the commitment in principle we have to grain farmers, yes, we should give that subsidy to the CPR for the incremental cost beyond what it gets from the Crow rate.

What we also say, Mr. Speaker, is that the approximately $550 million which the Government wants to give to the railways, and in particular I am talking about the CPR, the private railway, is unconscionable. Why should we give a very profitable enterprise a handout of some $550 million a year? I come from an automotive community. I would oppose a handout to General Motors. I would oppose giving General Motors money. To give such an enterprise a loan to facilitate financial developments for the private sector, under certain tightly controlled circumstances and in the public interest, is one thing, but to give a handout from the taxpayers of Canada to a profit-making large corporation, I say is a misuse of public funds and we should not do it.

Some Hon. Members: Hear, hear!

• (1125)

Mr. Broadbent: Therefore, we want to proceed immediately with the tunneling which has to be built, with the rails that have to be improved, with the bedding which has to be improved, and with the expansion that must take place, not only for grain farmers but for exporters of other raw materials and goods that will use railway facilities. We all agree with this. We in the NDP are saying that the subsidy for the cost of grain should be paid and that the CPR deserves the additional cost beyond the Crow rate. There is no question. But with respect to the other $550 million needed for tunneling and rails, we say that money should be put into investment, and that for every penny which goes from the taxpayers to the CPR we should get a share of the return. That is our position.

I want to conclude my observations with this point. We in the NDP believe that a healthy prairie economy, a healthy grain economy, is essentially important, first for farmers and their families who are doing the work and producing grain for export. Second, it is very important in terms of a revenue source for all Canada; it was $6 billion last year. Third, it is important for manufacturing jobs. If farmers are thriving, if they are doing well, they buy equipment. Where is that equipment made? It is made in places like Yorkton and Winnipeg in the West, but it is also made in places like Brantford and Hamilton in the East.

A healthy prairie economy, the generalization holds, means a healthy national economy. When the Liberals learn this, they will finally learn something about the nature of Canada.

Some Hon. Members: Hear, hear!

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I compliment the Hon. Member for Oshawa (Mr. Broadbent) on his remarks. I will read *Hansard* tomorrow to find out precisely what he said and where his Party stands, because he seemed to go all over the field with respect to this matter. I am

not quite sure whether he was consistent with the position of others of his colleagues in this debate, but I want to say that the New Democratic Party has every reason to cry. Members of that Party have been all over the field and reversing themselves on every issue respecting the Crow rate, to the point where yesterday we saw the Hon. Member for Regina West (Mr. Benjamin) revert to an unusual position. They said that they would kill the Bill and do everything in their power to bring the House to a halt. Suddenly that Hon. Member rose in his place and, in one of the most outstanding and unusual speeches in this place, said, "Mr. Speaker, we now want this matter to go to committee". What is that Party up to in terms of consistency of position? Does it know where it is going? Is it going only one place, from 16 per cent down to a lower position in the polls?

I remind the House that we are now faced with an additional indication of the attitude of the Government toward this very important issue. The Hon. Member for Rosemont (Mr. Lachance) stood in his place yesterday and, once again by direction from his Party hierarchy, moved that the question be now put. It was another indication that his Party wanted to shut down debate in the House of Commons on an issue which everyone who has spoken has pointed out is the Magna Carta of western Canada.

Another indication is time allocation or closure. The Minister has been carrying on negotiations behind closed doors with respect to a matter which is important right across Canada but is particularly important to western Canada. He carried on these closed door negotiations with a select few groups of people, and has come forward and sprung on the people of Canada and the House of Commons the "Pepin" proposal and the legislation we are now considering. From the time that legislation was sprung upon us, we have been faced with threats to terminate the debate and to limit the debate. More important, of greatest concern to me is that this signals to us in the House of Commons what will happen if and when the Bill gets to committee for consideration.

• (1130)

We have not had any commitment from the Minister and the Government that there will be a free and fair opportunity for Members of the House of Commons on the committee to travel across Canada, as we did with respect to the Western Grain Stabilization legislation, giving an opportunity to people with very different interests to make representations to a parliamentary committee. We have no commitment. The only indication we have is that the Government is determined to ram this legislation through, to impose closure at committee stage, to ram it through the summer months without any opportunity for input, meaningful consideration or, if necessary, amendments to improve this very faulty legislation.

I say to the Minister in all seriousness that if he has any interest in terms of getting this matter dealt with in a fair and reasonable manner, he will take the step of giving a clear and unequivocal statement that a committee which considers this matter, if we reach that point, will have a free and open opportunity to receive representations from legitimate interest groups across the country and that we will have a reasonable period of time in which to carry on deliberations.

When I last spoke in this debate on May 16, the Minister had not yet presented his amendments to the Bill. At that time we had a vague promise from the Minister on a safety net that would be established. We now know that the safety net will link freight rates to the weighted average price of the six major grains. The second amendment added certain crops and products to the list of the commodities which may be shipped under the statutory rate. There are other crops that should have been included, and it appears the Government will have to be dragged into including a proper list of crops to be covered by this rate.

The introduction of these amendments, while it is in one sense a sign that the Government is very slowly realizing the impact that this legislation will have on western Canada, particularly on the producers, is really insufficient, to answer the needs of western producers. It is important that the rate be tied to the price of grain. Farmers today are simply not in a position to contribute additional funds for grain transportation.

This safety net is fixed at 10 per cent of the weighted average price, which means that farmers will probably be paying the same amount under the plan by 1990-91 as they would under the previous proposal. While in theory it may be a rational approach to tie the rate to the price of grain, the actual proposal still deals a body blow to the pocketbooks of western farmers. It is unacceptable. It is nothing more than a sham.

I suggest that we must still question whether it is really desirable to tamper with the Crow during a time of recession. The concept of a subsidy has been referred to by the Leader of the New Democratic Party and other Members participating in this debate, including my colleague the Hon. Member for Vegreville (Mr. Mazankowski). It has not been fully explored by the Government.

In Argentina, as has been pointed out, the National Grain Board provides free rail transport for grain, from shipping stations to the ports. In Australia farmers pay less than 50 per cent of the cost of transporting grain. One example that the Leader of the New Democratic Party failed to mention is that in the European Economic Community there is a minimum direct subsidy of $2.53 per bushel.

The United States subsidizes wheat producers at the rate of $13.81 per tonne. In addition, there are a number of ways in which the Americans subsidize the transportation of grain. The United States army engineers maintain the canal system which is used for grain export transportation. There are a number of hidden methods by which the subsidy is given to the grain farmer in the United States.

At the very time when subsidies seem to be the order of the day with all our major competitors, we in Canada are doing exactly the opposite. We are saying to the farmer that he has

to have the cost of transportation substantially put upon his shoulders. This will make him non-competitive in world trade. The farmer will thereby be the loser. That is the message the Minister is giving to the western grain producer. In Saskatchewan 85 per cent of the producers oppose the Minister's proposal. That is the current statistic. He still is not able to understand what he is doing to the Province of Saskatchewan with this proposal.

To increase freight costs in Canada enormously will make our farmers uncompetitive. I wonder if the Minister has considered the value which grain producers provide to the Canadian economy. He should be more generous to the farmers as far as that consideration is concerned.

The reason why the Minister is receiving such enormous resistance throughout the West is because of the emotional ties the Crow has had to the hearts and minds of western Canadians. As has been pointed out, this is considered to be almost a constitutional right in western Canada. It should not be trifled with by devices of closure, and time allocation that "the motion now be put", limiting the ability of Parliament to deal with the matter.

At the outset of this session, in the Speech from the Throne, the Prime Minister (Mr. Trudeau) made a very special point of indicating that on the Government side there was no representation from the three eastern prairie provinces or the North. He pointed out at that time that he wanted there to be full debate on matters related to western Canada. He said that Members of Parliament from western Canada would be given an opportunity to stand and adequately debate issues that had a direct impact on them. The first really serious blow to western Canadian producers in this transportation proposal has been characterized by the record of this Government attempting to limit debate and force through a proposal which the Government knows is totally unacceptable.

I want to warn the Minister that if he persists in this course of action, he will not only affect the economic future but also the social fabric of western Canada, including the Province I represent, Saskatchewan. The fabric of rural Saskatchewan will be negatively and adversely affected. This proposal will mean that farms will become larger and larger. The small family farm will be a thing of the past. In Saskatchewan there will be a drying up of the rural population, a change in the social fabric, and the Minister knows it. In his heart of hearts he knows that that will be the consequence and the effect of this legislation in its present form.

The Minister can make his own speech in his own time. Every time I get up to speak he shouts across the aisle. I know he is sensitive. He has every right to be sensitive about this issue, because he is on the wrong side.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am glad to have an opportunity to bring some honesty back into the debate. I want to remind a few of the Tories that they may be able to send some of their speeches to their constituents, but the facts are quite clear to show where the Tory Party really stands on this whole freedom of choice scam it is trying to sell in western Canada. It is certainly not selling to farmers. The farmers know that the freedom of choice they are talking about is freedom of choice as to whether the cheque goes directly to CN or CP, or comes to them temporarily and then goes on to the railways. Now that we have seen what the Tory collapse is all about—only 30 per cent have been involved in this debate—we need to remind farmers and Canadians of how this legislation was introduced in the House.

There were 37 Tories absent, and the Government only won by 24 votes. If the Tories had turned up even a fraction of their Members, and this may be interesting to the Member from Saskatchewan who just spoke because over half the Tory Members from Saskatchewan did not turn up when the legislation was introduced, the result would have been different.

We know where the Tories are coming from. For every speaker we put up, sometimes they put up one, sometimes they do not put up any. Some of the Members they put up from the West, such as the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) who spoke last night, do not know anything about the legislation. He is a typical Tory. He talked about $800 million going to the railroad. He has never read the Bill. The $800 million is not mentioned anywhere in the Bill. It is $651 million. The Hon. Member for Surrey-White Rock-North Delta demonstrated once again that he is good at getting up and dithering, but he does not know much about many Bills that come before the House. He certainly does not do his homework.

I would like to talk about why the Tories have taken the position that they have. A few quick quotes will tell all Canadians why the Tories are collapsing as they are. During the Tory leadership campaign, here is what John Crosbie had to say. He said that the farmers' share of the cost has to increase. Initiatives had to be taken to improve freight transportation in the West, keeping in mind that the price per ton will double in the next two years and will go up at least five times by 1991. Michael Wilson said that it was a move in the right direction.

• (1140)

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member should refer to Members of the House by their constituency names.

Mr. Fulton: I certainly recognize that, Mr. Speaker. I am quoting from a press—

The Acting Speaker (Mr. Corbin): Order. The Hon. Member is not allowed to do indirectly what he is not allowed to do directly. He is referring to Members of the House. He must use their constituency names.

Mr. Fulton: Well, Mr. Speaker, Montreal businessman, Brian Mulroney, who is not a Member of the House, and may never be, said that he agrees that the Government is going in the right direction.

Members of the Tory Party cannot stand up in the House and say, "Well, we are opposed to this, we want freedom of choice". Mr. Speaker, a certain degree of honesty is required.

All of their leadership candidates said that it was a move in the right direction, the right kind of legislation—

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Lethbridge-Foothills (Mr. Thacker) on a point of order.

Mr. Thacker: Mr. Speaker, have you ever noticed that the NDP has a special school for whiners and snivellers to which they all must go?

The Acting Speaker (Mr. Corbin): Order. The Hon. Member for Skeena (Mr. Fulton) has the floor. He should not be interrupted in the course of his speech.

Mr. Fulton: Thank you, Mr. Speaker. The Hon. Member who just spoke is the original whiner and sniveller of the House of Commons in this session.

The Hon. Member for Yellowhead (Mr. Clark) said that he has not had time for a detailed study of the issue. He was the Leader of the Party for seven years and did not even have time to look at the issue. We know what Members of the Tory Party will do to somebody who stands up for the West. They got rid of him in a heck of a hurry.

I would like to direct a few comments to the Minister of Transport (Mr. Pepin). I am glad to see that he is here and is continuing to follow the debate. I would like to know what his views are on splitting the Bill. There is a certain degree of dishonesty from the Government side that I find unacceptable, that occurs when the Government pushes upgrading without ever having a single Member from the Government side deal head to head with the issue of equity. We hear much chatter in the House about the NDP proposal to get equity back if we give money to the railroads. But no Liberals have told us why that is not a good idea.

I will deal with Jack Horner in a moment because he is probably the one who is telling the Tory Members where to go. We know what Tory Members from the West do. They jump from the Tory side of the House over to the Liberal side and are automatically made head of a Crown corporation so that they can tell the Tories where to go on railway policy.

An Hon. Member: Tell us about the Hon. Member for Nunatsiaq (Mr. Ittinuar).

Mr. Fulton: You can tell us about that in a moment. Mr. Speaker, a very good book that I recommend to the Minister of Transport and a few Tories is "To Kill the Crow". I read from the first chapter:

> On the day after the annoucement of the federal government's determination to repudiate the Crow's Nest Pass Agreement, the stockholders of Canadian Pacific Limited were richer by $134,677,700 than they were the day preceeding the announcement.

Perhaps Members of the Liberal and Tory Parties should have gotten together to write a Bill that would simply give money directly to the shareholders of CP, which would save the House from this long, protracted debate.

The book goes on:

> By the end of the month the value of their shares in the company had increased by $447,889,250. Their "Crow Benefit" was not long coming.

It is interesting to note that Members of the Liberal and Tory Parties are prepared to support legislation that will give $651.5 million a year in perpetuity to the railroad, yet they travel around the country saying, "Oh, the Crow rate for farmers was written in 1897. It is too old. We cannot have legislation in perpetuity. We must have a sunset on the Crow rate when it comes to the farmers."

I will return now to the problem with the Tory position because we know what is the problem with the Liberal position. Liberals will not take a position on equity in terms of upgrading. They will not take a position on returning $450 billion or $500 billion worth of coal, to British Columbia. They will not talk about the out of pocket costs to the railroads for moving grain in terms of the balance of trade that grain producers bring to all Canadians, not just to western Canada, nor will they split the Crow rate. I would like to see Government Members vote in favour of taking $6,000 a year away from farmers in western Canada. That is what the issue really is.

I know that Members of the Tory Party will slip and slide on the issue. They will say, "Oh, freedom of choice". It is freedom of choice to lose $6,000 a year. I do not think many Members of the Liberal or Conservative Parties would go to textile workers in Toronto and say, "Sorry, $500 a month must be taken away. That is freedom of choice". Freedom of choice for what? The Tory position is preposterous. As the Tory Party's lead-off speaker on the Crow debate, the Hon. Member for Vegreville (Mr. Mazankowski), given the position of the former Leader and the future possible Leader of the Tory Party, said:

> —I ask the Minister to consider making the payment of the Crow benefit optional to the producer or to the railroad. Let the producer decide whether the money should go to the railroad, or let him decide whether it should go to him.

Does the Hon. Member for Vegreville think that a bunch of Liberal donkeys from eastern Canada will turn up and all of the grain will be loaded on them to be taken out to Prince Rupert for free? The farmers from western Canada will not buy that. They know that if grain is to be moved, a cheque may come from Ottawa. But what are Members of the Tory Party supporting? They are supporting a hugh new bureaucracy. Those farmers who want the cheque to come to them will have to pay for having the grain hauled.

Tory Members wanted to get Jack Horner a good job with a Crown corporation so they told him to become a Liberal. Now they are looking for jobs for more Tories in a new Crown corporation that would handle the freedom of choice legislation that they are supporting.

Tory policies are like that cheese that comes from Europe, the stuff with the mouseholes in it. I cannot imagine, Mr. Speaker—

An Hon. Member: It stinks.

Mr. Fulton: Perhaps it is limburger cheese. Let us take a close look at the Tory freedom of choice proposal. First, farmers will have the choice to pay more to the railways. I am sure that farmers will like that. Second, it will reduce the price of grain at the farm gate. I am sure that farmers will like that. Third, it will dilute the benefit to producers of grain by spreading the Crow benefit to cultivated acres which do not produce statutory grains. I am sure that farmers are very interested in seeing that done. The psychological benefits of freedom of choice are outweighed by reduced economic choices. That, Mr. Speaker, will happen as all of the local elevators close. Tory Members know that, and that is why Tory Members from Saskatchewan, Manitoba, and Alberta are not participating in this debate, though one of them pops up from time to time to make a speech like the one made by the Hon. Member for Saskatoon West.

The Minister of Transport was grinning. He knows that the Tory deal has already been made. Members of the Tory Party have collapsed and are now supporting the Bill. They are taking the big business line. They are pro-CP. We know what is going on. The Minister of Transport was grinning because he knew that the Hon. Member for Saskatoon West had already swallowed the bait but needed to keep his constituents under control.

We will see. The reporters who are covering this debate, Mr. Speaker, will see how many Tory Members from the Prairies will get up to speak on this issue in the next couple of days. That will be the telling fact.

Mr. Malone: What a despicable person to be in Parliament.

Mr. Fulton: The Hon. Member for Crowfoot (Mr. Malone) has once again described himself as a despicable Member. I certainly would concur with many of his comments about himself, Mr. Speaker.

Mr. Taylor: What makes you so bitter? Are you afraid you will be defeated?

Mr. Fulton: The Hon. Member for Bow River (Mr. Taylor) is starting to sing. Members of the Tory Party are starting to sing, Mr. Speaker, because they know that I have lifted the curtain on their freedom of choice scam that would take $6,000 away from the farmers on the Prairies.

Mr. Mazankowski: It is the truth.

Mr. Fulton: The Hon. Member for Vegreville says that it is the truth. He is waving his hand. He has talked to Jack Horner. Jack Horner has said, "Hey, look, Don, you had better talk to Jean-Luc because the fix is in."

Mr. Len Gustafson (Assiniboia): Mr. Speaker, I think that the quality of debate has dropped to a new low.

Mr. Fulton: Because you are up.

Mr. Gustafson: It is interesting to note that speaker after speaker from the NDP has done nothing more than attack Conservative Members. Members of the NDP know very well that the Conservatives represent the primary producers of western Canada.

Some Hon. Members: Hear, hear!

Mr. Gustafson: I will not bear on this point, but I want to make it abundantly clear to the House and to the people of Canada that Members of the NDP have brought nothing constructive to the debate, to this point.

I think that when we look at Bill C-155 we must look at it with the best interests of the primary producer in mind. Again and again Members of the NDP have tried to bring up what various leadership candidates have said, but the position taken by the Conservative Party from day one of this debate has considered the importance of the primary producer.

• (1150)

We know what the New Democratic Party did to the primary producer in energy. Its record is clear in this House. We know how it supported the Liberals to bring in a national energy policy which put the primary producers of energy flat on their backs and cost Canada dearly. If we are going to continue in that direction, the farmers of Canada are going to suffer severely. That should not be the position of the Government and it certainly will not be the position of the Conservative Government. And we will take power. That is what all the hollering is about from the NDP. That Party can see the handwriting on the wall. It can see what is coming and it is concerned, which gives me a certain amount of satisfaction, Mr. Speaker, along with every Conservative Member on this side of the House, because we also can see the handwriting on the wall. We know that the farmers and the primary producers understand what has happened.

I would like to speak about the most important factor, how we can strengthen the position of the primary producer in Canada. First of all we must look at the timing of the situation. I am happy that the Minister of Transport (Mr. Pepin) is in the House.

Mr. Pepin: I am always here.

Mr. Gustafson: The Minister tells me he is always here, but I am particularly happy he is here this morning. The farmer has faced some very serious situations in terms of the cost of production. The Minister has heard that many times in the debate. Yet he has not responded in a positive way. In the international marketplace our producers face a very serious challenge of competition.

Dr. Andy Schmidt of the University of Saskatoon has done extensive studies into exports and into competition in the international marketplace for the primary producer. He tells us that the United States of America subsidizes its producers over all by 33 per cent. He tells us that subsidies in Australia are in the neighbourhood of 50 per cent on shipping freight rates for grains exported from Australia. In addition to that, the European Common countries are subsidizing their farmers up to $5 per bushel for wheat.

The unfortunate result of the direction the Minister of Transport has followed has been that he has played producer against producer. He has played the wheat and grain producer against the cattle producer. Certainly we understand, as primary producers ourselves, that the cattlemen of western Canada have suffered some very severe problems. The grain producer is suffering a tremendous challenge in terms of the costs of production as well. The commodity groups are involved in the situation. With one blow the Minister is trying to solve a number of very complex problems which will not be solved that simply. It must be brought to his attention that he must not destroy what has been accomplished.

It is significant to note that in my riding of Assiniboia the Prime Minister of Canada (Mr. Trudeau) announced, at Fillmore, Saskatchewan, a program to double-track the railroad clean from Winnipeg to Vancouver. It was interesting to note that the railroad men following that announcement, were literally suggesting that because many trains had been taken off the track with regard to passengers and so on, in many areas this simply was a political manœuvre.

Mr. Pepin: It is being done now.

Mr. Gustafson: We in the Conservative Party understand that there are congested areas, but the Government has not addressed those problems. It must take a positive position in solving those problems and those bottlenecks which are there. In Bill C-155 there is absolutely no guarantee, Mr. Speaker, that the Government is going to address in a position way the problems and the bottlenecks which exist in the system. It has only played politics.

We must strengthen the position of the primary producer. We must give him an opportunity to do and continue to do for Canada what he has done up to this point, in producing $6 billion worth of exports, which has been one bright spot. The people in the energy field did the same thing until the Government climbed on their backs and made them ineffective, and we will possibly see the results of that for many years. We must turn this around. Certainly our Party will look objectively at building a transportation system which will be unequalled anywhere in the world. We must get around the snowslides, we must deal with the congestion at the ports, and we must deal with other places where double-tracking is absolutely necessary. However, to make a political football out of these problems is unfair to the producer.

The statutory Crow rate is so important. As the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) has said time and time again, it is the Magna Carta of western Canada. Because of the tremendous distances we must face in transportation, the Government must look objectively at how it can strengthen the system without destroying the producer. If the producer is destroyed, Mr. Speaker, I say through you to the Minister that it will have the same impact upon this Canada of ours as we suffered in the past year and a half when the Government laid our energy people flat on their backs, imported oil from Mexico, disregarded increased prices, said in this House that it was not going to increase fuel prices beyond 18 cents a gallon, and later we saw an increase of $1 a gallon on fuel costs. This is the kind of direction which has been followed. We must avoid that, and we can avoid it. We must not play producer against producer. We must not play commodity group against commodity group.

I would suggest to the Minister that it is most important that he bring the railroads into accountability, and that he lay out purely and simply to the producers of Canada, and to all the people of Canada, the importance of this debate which the Government is trying to obstruct in this House. I cannot repeat too often the importance of the direction to be followed which will produce positive results in the improvement of the export market and will lead to a brighter day for the economy of this great country of ours, Canada.

Mr. Simon de Jong (Regina East): Mr. Speaker, it is with pleasure that I enter into this debate again. In my previous remarks I went over some very essential points about which I believe the farmers and, indeed, the people of Saskatchewan, are greatly concerned. The first point was that under the proposed legislation some $600 million to $1 billion annually will be taken out of the Saskatchewan economy. That is something which the Saskatchewan economy just cannot stand. It comes close to $600 to $1,000 purchasing power for every man, woman, and child in Saskatchewan which just will not be there. The effects, therefore, will not only be felt by the farmers but will also be felt by the retail sector and by the workers in Saskatchewan. In sum, Mr. Speaker, it means less jobs and less money to go around. For that reason, although there are many reasons, I stand totally opposed to the proposed legislation.

• (1200)

The other argument I brought forward concerned my suspicions as to the $650 million the Government claims is the Crow gap. I went through some of the figures Mr. Snavely used and pointed out he allowed the railroads a rate of return on money they never invested on their own. These were public moneys invested in rail operations, moneys originally given to build the CPR. Yet Mr. Snavely allowed the railroads a rate of return on those public moneys. That rate of return is included in this $650 million Crow gap. If we are serious about examining the Crow rate, then we have to have some honest and real figures. My suggestion at that time was that we go back to square one and get some accurate figures as to what it really has cost the railroads to ship grain.

Mr. Pepin: The Saskatchewan Wheat Pool does not disagree.

Mr. de Jong: When I ran out of time the last time, I was trying to cover the area of subsidies. Other speakers have pointed out this morning that Canadian agriculture is not subsidized the way it is in the European Economic Community, Argentina, Australia or the United States. In fact, I wonder if the Government really has a handle on the amount of subsidies that farmers in other countries get. For example,

on July 23, 1982 I asked the Government to table any documents they might have comparing the rate of subsidies given to grain farmers in the U.S. with those in Canada. Some time later I received a reply saying that the Minister of Agriculture (Mr. Whelan) is not aware of the existence of the documents requested. The implications of that were somewhat startling. Either the Government was lying—and I am not going to accuse the Minister of Agriculture of lying—or the Government does not have those figures. In other words, the Government is making this major assault on the economy of western Canada without even an inkling as to what the effects are going to be on our international trade. The U.S., of course, subsidize their grain farmers in several ways. A major part of their grain is barged down the Mississippi and Missouri Rivers, a system maintained by the U.S. Corps of Army Engineers. That is a subsidy to American grain farmers.

Canadian grain farmers face many of the obstacles their American counterparts in North Dakota and Montana must face. There are tremendous distances to the shipping ports. The American system allows for assistance to grain farmers in shipping their grain, yet the only assistance the Canadian grain farmers get is an indirect subsidy called the Crow. To kick that support out from underneath the western grain farmer is an act of total irresponsibility. But then, what can you expect from a Government which has rattled the basis of Canadian Confederation ever since it returned to office in 1980? The assault on western Canada through the Constitution and various resource policies is inexcusable. That assault continues with this legislation, which in turn comes from a Government with hardly any representation in western Canada among the people who will be so greatly and adversely affected.

Mr. Pepin: That does not prevent you from passing judgment on Quebec.

Mr. de Jong: Mr. Speaker, I am somewhat concerned and puzzled at the type of opposition that Members to my right have raised. To tell you the truth, it is very confusing. We hear many different arguments being introduced. Of course, the Conservative Party has a variety of interests that it must maintain. They get support from the commodity groups, and of course we all know that they would like to see this legislation go through. The Conservatives have some debts they must honour to the coal and lumber interests, and so on.

Mr. Pepin: I thought you said everyone disagreed with it?

Mr. de Jong: One of the various conflicting interests the Conservatives feel they must represent is that between the grain producers and cattlemen. Not all but many cattlemen feel this is essentially good legislation and that the statutory rates must be changed. Many of them feel this would help them and would bring processing plants to western Canada. Well, Mr. Speaker, I would dearly like to see processing plants move to western Canada; after all, a lot of our beef is produced there. But I am not convinced that doing away with the statutory Crow rate is going to result in more processing plants and better beef production in western Canada.

Mr. Malone: Why not?

Mr. de Jong: I will tell you why. Last Spring, Mr. Speaker, I took a week off from my duties in this House and paid an extensive visit to North Dakota and Montana. I talked to elevator operators, grain farmers and the Commissioner of Agriculture in the State of North Dakota. I talked to all sorts of people involved in the agriculture sector of those two States. What did they tell me? I told them that in North Dakota and Montana they do not have a statutory rate. We have the Crow but they do not. Did they feel that this had benefited them in terms of beef production and processing plants? They said no, they do not have any processing plants in North Dakota. They have one in Montana and one flour mill in North Dakota which has been supported by subsidies from the State, but there were no tremendous benefits to the beef producers in those two States. There were no flour mills to speak of because the economics are still that it is cheaper to ship the cattle on the hoof than it is to ship it as finished products in refrigerated cars.

Mr. Althouse: Because the producer is paying for it.

Mr. de Jong: That unfortunately is the harsh economic situation. For the Government to attempt to seduce western beef producers into supporting the Crow changes against their brothers who are producing grain is, I think, one of the more despicable attempts at seduction by the Government.

Mr. Blais: Oh, don't be silly.

Mr. de Jong: I am afraid that many of my Conservative colleagues to the right have fallen for that seduction from across the way.

I would like to see some honest studies, Mr. Speaker, that would show how much more beef production there is going to be in western Canada, how many more packing plants there will be if this legislation goes through. If the experience in North Dakota and Montana is any indication, there will be very minimal benefits to the beef producers in Alberta and Saskatchewan.

Mr. Pepin: Then you complain you cannot process your goods.

Mr. de Jong: Mr. Speaker, I see that my time is running out, so therefore—

Mr. Blais: In an electoral sense as well.

Mr. de Jong: —I will give a preview of my next speech on the Crow. I will attempt to deal with some of the double-talk coming from the Government. We are moving into 1984, which has always struck me because of a novel I read in high school by George Orwell called "1984". In that book there was a term called "double-think" and "double-speaker". The common usage of a word and its meaning was totally turned upside down. The Prime Minister (Mr. Trudeau) and the Minister of Transport (Mr. Pepin) have called us reactionary on this side. I want to deal with that piece of double-talk at the

next opportunity, because to call reactionary our attempt to save a rural way of life, to save small farmers in Saskatchewan so that they will continue to be economically viable, is a piece of double-speak straight out of "1984" and George Orwell's novel.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, it is interesting that we should have a lesson in prairie economics concerning cattle and grain from the Hon. Member for Regina East (Mr. de Jong). I wonder how many times he has used a permit book. I wonder how many Members of his Party currently have a permit book or have used a permit book. I would like to challenge the NDP to see whether they really think they represent the farmers. I could go through our ranks and about 20 of our Members have permit books.

I do not know whether some of those characters to my left even know what a permit book even is. It is the book issued by the Canadian Wheat Board allowing one to deliver grain, which makes one a bona fide farmer. I suspect that very few, if any, of these characters to my left who want to rise and speak on all the aspects of prairie agriculture know anything about it. One would have to show them with a map, which is the business end of a steer, yet they want to give us lessons as to how to run a prairie farm.

• (1210)

The Hon. Member started speaking of North Dakota and everything dealing with the beef and packing plant industry. I would point out that we currently do have what is left of a diversified industry on the Prairies. If we keep going the way we are going, we will not have one. If the Hon. Member had wanted to travel a little further south into Nebraska or Colorado, he would have found that there is a meat processing industry in the western part of the United States. What we are discussing is maintaining the industry we have in the West and not losing it all to the East.

Some Hon. Members: Hear, hear!

Mr. Mayer: Therefore, if the Hon. Member wants to start discussing those matters, I suspect he should either travel a little further physically or open up his brain so that a little broader range of ideas will get into it.

The Leader of the NDP spoke of the subsidy not being a question. In many ways it is true. We are not arguing as to whether or not the prairie grain producer should have a subsidy. I think we all agree that, based on the amount of taxes that producers pay, and based on the treatment of other industries in Canada, those of us who grow and want to ship grain on the Prairies should be entitled to the same sort of consideration as many of the other industries in Canada.

Our concern is the way in which the subsidy should be paid. The NDP and the National Farmers' Union are really in concert with regard to this matter. Two years ago the National Farmers' Union filed a class action suit against the CPR for damages resulting from services not rendered. Yet now it wants to give all this money to the CPR. I just do not understand. The Hon. Member for Broadview-Greenwood (Ms. McDonald) wears a hat. Last night I sympathized with her concern with regard to wearing a hat in the House. She pointed out that the CPR has made a profit of $2 billion. If it has made all of this money, why does the NDP want to continue to give it more? That does not make any kind of sense. The Leader of the NDP is a renowned economist.

Mr. Orlikow: And take equity in return.

Mr. Mayer: Whatever way one wants to do it. If one takes equity back in return, one is still giving money to it.

Mr. Orlikow: No, you will share in the profit.

Mr. Mayer: A subsidy by any other name is still a subsidy. That is exactly what is being done. Why does the NDP want to give it money and take equity back when it has already made $2 billion in the last two years? I see that I have Members of the NDP going. It reminds me of a classic statement made by Edmund Burke, a very well respected Conservative theorist in England. He said that a Conservative is someone who believes that nothing should ever be done for the first time. I think that if he were here now and could look at the NDP, he would say that the NDP is someone that believes that nothing should ever be done for the first time. That is about how enlightened and reactionary are the attitudes of its Members.

We on this side of the House, are determined that if the Government is to make any changes to the Crow, we will ensure that those changes will be improvements. The NDP is saying we should do nothing about railway capacity, but simply give the railway more money and equity. It does not do anything about comparative advantage. It wants to lose our industry to eastern Canada.

Some Hon. Members: No, no.

Mr. Mayer: That is its position. As I said, it literally boggles one's mind as to why Members of the NDP can be so opposed to giving money to the farmer.

The Leader of the New Democratic Party is purportedly an economist. If he is an economist, he will know what I mean when I mention the multiplier effect. If one gives the option to the farmer to take the money, aside from the fact that we believe in some freedom and a little bit of liberty in this country, the money will stay and be spent in his community and it will have a multiplier effect working on it two, three or four times before it is shipped out of the country, whether to Japan, Poland or wherever. If one pays the producer, at least the producer has a handle as to how some of the money will be redirected. That is one of the answers in terms of the money that will be taken out of the community when the producer is asked to pay more money.

I agree that at this particular time, when grain prices are falling and costs continue to escalate, it is a concern that the producer wil be asked to pay more money. Surely, as far as the NDP is concerned, it is obvious that the producer should be given a choice as to whether he wants to see all the money

continually going to the railways and being sent right out of the country with no local, multiplier effect. I assume that is not over the heads of some of my friends to the left.

The Hon. Member for Skeena (Mr. Fulton) rose to speak. I feel that his comments and his comportment in the House reminded me of the guy who was kicked out of grade two for not shaving. That was about the level of his contribution in the House.

I want to mention that great nabob from the NDP, the Hon. Member for Hamilton Mountain (Mr. Deans), the mountains where he grows all the grain. He told us that we should stand up for farmers. As I said, I do not need anyone telling me how to stand up for farmers. I have held a permit book since I was 18 years old. I do not need guys like him to stand up and tell me what needs to be done on behalf of farmers. I happen to represent farmers and I know farmers. I speak to farmers every week when I go home. I have a fairly good idea what people are thinking at home. As I say, I do not need people from the "great plains of Hamilton Mountain" coming in to tell me how to represent farmers.

The Hon. Member for Yorkton-Melville (Mr. Nystrom) is a long-time Member of the NDP, and I suspect—

An Hon. Member: He never had grease on his hands.

Mr. Mayer: Exactly; he never had grease on his hands. I do not know whether or not he has, but if he has I suspect it would have been accidental. I suspect he will be in some trouble at home when people begin to understand that he is in favour of giving all of the additional money to the railways.

Mrs. Mitchell: Don't you have anything to say on the issue?

Mr. Mayer: Sure, I have lots to say on the issue. I see that a Member from Vancouver is becoming involved. I wish more of these NDP Members from the West Coast would rise to speak.

Mrs. Mitchell: I thought you only wanted farmers.

Mr. Mayer: No, there is nothing wrong with rising to speak. I say that when the time comes to represent farmers, many of us on this side, including myself, do not need lectures on how we should represent farmers, because we understand farmers. If Hon. Members want to rise to make comments, we will be more than happy to hear them. We have heard some very excellent comments from people on this side of the House who represent areas outside of the Prairies. I would certainly welcome and encourage Hon. Members from the NDP who represent areas outside of the Prairies to rise and make some enlightened comment on this matter.

Yesterday the Hon. Member for Yorkton-Melville rose in the House and said: "I am afraid that the Conservative Party has sold out to big business, to the CPR". I submit that it is exactly the reverse. Given the fact that the Government is determined to modify the Crow legislation, and given the fact that it is willing to put up $600 million a year, we are determined to give the producers a chance to have some of that money. It is the NDP that is in favour of big business, because its Members are the ones who are in favour of giving money to the railways.

I would like to speak specifically. When I say that we are concerned about any changes being made, our concern is that there be improvements to the legislation. Let me go through some of our concerns. We want to ensure that the inflation factor, if it is applied will be an incentive to the railways to provide efficient service. I submit—I mentioned this when I had a chance to speak on the issue about six weeks ago—that the inflation factor was backwards in that if there is to be a sharing of the increase in costs as a result of inflation, the railways should be obligated to pick up the first percentage points of the inflation so that there is an incentive to railways to see that their services are run as efficiently as possible. The way the Bill is now, if the farmers are asked to pick up the first percentage points, it is almost guaranteed that there will be inflation of either three percentage points or six percentage points as far as railway costing is concerned, no matter whether there is inflation in the community at large or not. That is one of the very major concerns which we would like to see addressed.

Along the same line, we also want to ensure that if producers are to be asked to pay more, there be efficiency throughout the whole system. That means from the time the grain is loaded on to an elevator in the Prairies until the time it is put in the hold of a boat at one of the export positions in this country. That is an ongoing responsibility of the Government. It relates to everything, including labour relations and the amount of switching that goes on on the West Coast. It relates to the way our grading is established. It is a whole ongoing series of concerns which the Government must consider.

In a larger context, we must ensure that the Government understands that it has an obligation to look after some of the tariff and non-tariff barriers around the world. If we can grow things very efficiently on the Prairies, and I would submit that we can, we must ensure that Japan and the European Economic Community, for instance, do not take unfair advantage of our efficiencies here by throwing up tariff barriers and non-tariff barriers in front of our exports.

I will mention a classic example. About ten years ago, horse meat was being shipped form Montreal to France. All of a sudden, this shipment stopped. The reason was that because France decided there was a possibility of some exotic, southern hemisphere disease being transmitted from this part of the continent to France, every worker in the packing house was required to have a rectal swab once a week.

• (1220)

This is the sort of situation which the Government must address. When we do have efficiencies in production the Government must ensure that we are not left out from what happens in other parts of the world as far as exports are concerned.

The Acting Speaker (Mr. Corbin): I regret to interrupt the Hon. Member but his time has expired.

Hon. Don Mazankowski (Vegreville): Mr. Speaker, as other Members have pointed out previously in this debate, we are now dealing with a form of closure. It is a rare form of closure that has not been used in this House since 1955 and was last used in Westminster in 1943, but—

Mr. Smith: It is not closure. The last time it was used in this House—

Mr. Mazankowski: —not by a Minister and not to slam the door shut on debate on a very contentious and important issue. As my colleague for Qu'Appelle-Moose Mountain (Mr. Hamilton) pointed out, this form of closure is being imposed—

Mr. Smith: It is not closure.

Mr. Mazankowski: —by a dying, lame duck Government. It is being imposed upon a region of Canada where the Government does not have more than two Members representing that region. It has struck out in western Canada so western Canadians are really paying the price.

The reason it is moving closure—

Mr. Smith: It is not closure.

Mr. Mazankowski: —is that the Government knows that this is a divisive measure and that it has created a lot of anxiety. They know that it is a piece of legislation that goes to the very fabric, heart and core of western Canada's social and economic structure.

There are many things that are bad about this Bill. There are many things that are disastrous about this Bill. To use closure—

Mr. Smith: It is not closure. Stop misleading.

Mr. Mazankowski: —is an affront to western Canada, an affront to western Canadian Members of Parliament and it is an affront to this institution.

Mr. Smith: It is not closure.

Mr. Mazankowski: Could I have order, Mr. Speaker?

The Acting Speaker (Mr. Corbin): Order. Some Members take heckling lightly and do not mind it. The Hon. Member who was given the floor should not be interrupted. It is his right and privilege to be heard.

Mr. Blais: Tell the truth.

Mr. Smith: You cannot mislead the House.

Mr. Mazankowski: Mr. Speaker, I am not misleading the House. The facts are very clear. The fact of the matter is that this Government has used a form of closure more than 20 times in this session. This nation of Canada has had some bitter experiences with closure. We have seen the National Energy Program which destroyed the western Canadian energy industry, particularly the supply, service and exploration industry. It is a policy that has more than doubled energy prices. I should say as well that the Government had the support of my friends to the left, the NDP.

The Government did the same thing with the Constitution which really set out to colonize the western Canadian Provinces. Again it had the support of my friends to the left, the NDP. They have set out to collectivize agriculture in this country through a Crown corporation known as Canagrex. The Government used closure and again had the support of my friends to the left. They want all the policies of agriculture formulated from on high, from the ivory towers in Ottawa. That is what they want.

We now have a situation where the Government of Canada is imposing closure—

Mr. Smith: It is not closure. You are misleading.

Mr. Mazankowski: —on the dismantling of the statutory Crowsnest Pass rates which could destroy the social and economic fabric of the West and cripple further a floundering Canadian economy. This Government has had the support of the arm chair critics over there. Do you know, Mr. Speaker, what this debate is doing? It is really separating the farmers from the armchair critics to my left. That is all they are, armchair theorists. They like to see agriculture collectivized so that it could all be under the control of a central planning bureaucracy sitting here in Ottawa.

I am disappointed with the Minister of Transport (Mr. Pepin) and his lack of response. He has a chance to enter into the debate again on this particular motion. I challenge him to rise in his place. We in this Party have documented some very major objections to the piece of legislation before us, Bill C-155. We have documented at least a dozen points.

There are four or five points which I want to reiterate. First, the 10 per cent safety net that the Minister has advanced in the form of an amendment is not satisfactory. It will continue to create a situation where the statutory freight rate for the farmer will double by 1985-86 and multiply five times by the year 1990. The fact of the matter is that the historical figure is something in the order of 7 per cent or 8 per cent.

If we look over the last ten years, between the years 1970 to 1974 the farmers were paying 5.3 per cent of their income from grain for freight; from 1975 to 1979, it was 3.8 per cent; and from 1982 it was roughly 3 per cent. When one looks at it over the last ten years, farmers have been paying a freight rate equal to about 4 per cent of their weighted average of grain. This Minister has put forward a safety net of 10 per cent. That is not historical. It is far from historical and he must bend that figure or this Bill will not get passed, I can assure him of that.

The second point of contention is the 31.1 million tonne cap. That is not satisfactory. It is a disincentive. If we recognize the importance of grain to our national economy and the importance of encouraging production and marketing, then there should be an incentive to produce more. The result of putting on this 31.1 million tonne cap is tantamount to stepping on the accelerator and using the brake at the same time. It does not work.

The third point concerns the statutory freight structure. The Minister's proposal takes the railways off the hook. It takes them off their statutory and historical obligation from which they will be fully relieved. That is fundamentally wrong. Furthermore, it will perpetuate a cost-plus freight rate structure.

I suggest to the House and challenge the Minister that what will happen is that the farmers will become the same victims as the passengers of VIA Rail. This is the same type of cost-plus formula that will be put in place. It really does not matter whether it is a Crown corporation or a private company, the same cost-plus formula will be in existence. Therefore, if the NDP want to renationalize the CNR and nationalize the CPR, the formula will remain the same. The fact of the matter is that they are the friends of the railroads. They are advocating a guaranteed annual income for the railroads.

The fourth point concerns the method of payment. The Minister knows that his proposal is not satisfactory and has not met with any degree of acceptance across the Prairies. In fact, the Gilson proposal recommended an 81-19 split in favour of the producers. The Minister then chose a 50-50 split. He will now send the $651 million Crow benefit directly to the railroads. I suggest this is well documented. The livestock industry has certainly documented its case very well. The future of the livestock industry in western Canada will suffer a very serious blow. It will be a serious blow to further diversification and processing.

We have offered a suggestion. It may not be perfect and we would be the first to admit that. However, it is a principle that I believe bears some serious consideration and study by the Government.

The NDP believe that individual producers do not have the brains, capacity or ability to make their own decisions. They believe that the Government should make the decisions because producers are not capable of doing so. I ask the NDP to come forth with a solution that would address the problems of the livestock producers and the need to further diversify.

The Alberta Wheat Pool has recognized that this is a serious flaw in this particular Bill. The fact of the matter is that we have a current situation in which this Bill must be improved because it cannot go forward as it exists. In its present form it will deliver a tremendous body blow to the future of agriculture in western Canada.

I repeat that the NDP are really the friends of the railroads. They want the $651 million plus to go to the railroads in perpetuity. We have spoken out on behalf of the producers. We firmly believe that the freedom of choice option would give the individual producer the opportunity to retain some of that benefit in his own pocket, thereby maximizing incomes to the producers. It would ameliorate some tensions. It would inject some competition into the system and provide for some efficiencies. Most of all, the bottom line is that it would enhance the income potential of the producers.

• (1230)

I conclude by simply saying that what we solicit is a fair, equitable, reasonable, practical, common sense solution, serving the broadest interests of western Canadian agriculture. This is a complex Bill. It is a contentious Bill and it is necessary for this Minister to provide maximum flexibility. We appeal to the Minister to rise in his place to address some of the very serious objections we have made during the course of this debate. Failure to do so is a clear indication that he is not prepared to accommodate and is not prepared to be flexible on this issue.

Some Hon. Members: Hear, hear!

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I welcome this opportunity to say a few words once again on the proposed Western Grain Transportation Act, Bill C-155.

There is no question, Mr. Speaker, that the passing of this Bill and the abolishment of the Crow rate will have a devastating effect on the people of western Canada and indeed on all Canadians. What this Bill does is add to the divisiveness of Canada at a time when everything should be done to heal the wounds of disunity and to make this country whole again.

I do not believe there is any place in Canada for greed and avarice by some special interest groups at the expense of the unity of our country and at the expense of the further growth and total development of our country, and I mean every section of our country, be it the East or the West.

By going out of the way needlessly to antagonize and to frustrate people in one section of the country to please people in another section is like playing both ends against the middle. The results, Mr. Speaker, always prove disastrous for everyone concerned.

This is what will happen if the producers and the people of western Canada are not given a fair shake in this proposed legislation. I believe a fair shake was in the offing when the Minister of Transport (Mr. Pepin) originally drafted the legislation to divide the proposal annual subsidy of $651 million between the producers and the railways.

Mr. Pepin: Where were you then?

Mr. Mitges: I believe this was a good proposal. But, Mr. Speaker, through pressure from the wheat pools and the Canadian Federation of Agriculture, the Minister unfortunately was pressured to change his mind from this common-sense approach and forced to direct the full subsidy to the railways, thereby selling the producers down the river.

I do not know but perhaps the usual Liberal logic prevailed, because without any elected representatives in western Canada, the Party as a whole would have nothing to lose politically. I can tell you that such logic will have a negative lasting effect on western Canada voters regarding the Liberal Party for many generations into the future.

Mr. Pepin: Is that why you chose your Leader from Quebec?

Mr. Mitges: The fact that the railways would be receiving the subsidy means that the only way the producers could reap the benefit would be to ship their grain by rail. The 150,000 member-owned prairie wheat pools which own most of the elevators are all for this in order to retain their self-pecuniary interest. This has the effect of freezing out Canadian trucking from transporting prairie crops. To me this is discriminatory and is counter to the free enterprise system by restricting trade; and I believe that if it was ever contested in a court of law, a verdict would be reached in favour of the Canadian Trucking Association.

If a farmer received the subsidy he could well decide to sell his grain to local livestock producers and use trucking firms to do this. Unfortunately, Quebec livestock producers have been the primary force against the subsidy being paid directly to farmers because they fear that cattle producers in the West, through cheaper priced grain, could raise cattle much cheaper than in Quebec. But the western livestock producers see it as a necessary restructuring of the whole prairie economy and everything must be done to encourage this. This Bill does the opposite.

The Minister has also decided to put a ceiling of 31.1 million tonnes a year on the amount of grain eligible for the subsidy—

Mr. Pepin: The shippers did that.

Mr. Mitges: You went along with it, Sir. Anything over that, Mr. Speaker, would be shipped at the full rate. This is sheer nonsense. Now the farmers are to be penalized if they produce more or if new records are set in grain production. To me, it is ludicrous to punish producers because of excellence of production.

What this Minister does not seem to realize, Mr. Speaker, is that farming is Canada's major industry. This Government seems conveniently to forget that, despite the fact that close to 40 per cent of all jobs in Canada are directly or indirectly related to agriculture.

To show how little priority agriculture has to this Government, less than 2 per cent of the total budget is set aside for agriculture. If Agriculture Canada had access to the $1.4 billion lost by Canadair through bungling and gross inefficiencies in management, think what that money would have done for all the farmers of Canada, the most efficient producers in the world.

Agriculture Canada, Mr. Speaker, is one of the best run departments of this Government. As a former veterinary inspector in the department and a practising veterinarian for many years, I was always in contact with Agriculture Canada, and I can truthfully say that the Canadian taxpayers, as far as Agriculture Canada is concerned, do get their money's worth, which is more than I can say for many other government departments. However, the common sense of Agriculture Canada is in direct contrast to the legislation that we are debating today, which is far from common sense.

One of the incentives used by the Minister to encourage farmers to participate in the change of the Crow rate was the promise that there would be railway performance guarantees to producers in exchange for increasing the freight rate to move grain. Bill C-155 proves this to be a sham. There will be no railway performance guarantees for the first three years. Railway performance objectives will have no clout because sanctions to the railways will only be tallied, not levied. In other words, Mr. Speaker, the railways will get a free ride for three years.

Mr. Pepin: We can withhold their money if they do not perform well.

Mr. Mitges: Although the Act states that the Minister can withhold any amount of money to the railway if the railways are not adequately investing in rail plant and equipment for moving grain, there is nothing to stop the railways from claiming that the money received from the Government is inadequate to justify the needed expenditures, and therefore they let the rail system deteriorate and then wait for the Government to come back again with ad hoc measures such as hopper car supply.

That is why I say there is no adequate guarantee to producers that they would be getting their money's worth for paying the increased freight rate. A stronger commitment and guarantee by the Government and the railways is necessary and absolutely essential.

Another clause in this Bill empowers the Canadian Transport Commission to monitor the investment programs of the railways and their efforts to maintain the grain-dependent branch lines. This in no way reassures me and my colleagues that all will be well if one takes into consideration the 1982 Annual Report of the Auditor General, which roundly criticizes the Department of Transport and the CTC in their financial and engineering audits of the rail rehabilitation program.

Mr. Pepin: We have answered all that since.

Mr. Mitges: This program, begun in 1977, called for the rehabilitation of 5,675 miles by 1992 at a cost of $1.6 billion. In this program the Auditor General found profound deficiencies, including deficiencies in construction costs charged by the railways, deficiencies in assessment and poor disclosure of financial implications.

The Auditor General as well found deficiencies in the responsibility of maintaining lines and deficiencies in the development of construction standards and specifications.

Mr. Pepin: He is not infallible.

Mr. Mitges: There is no guarantee that this will not be repeated. There is no question that Bill C-155 is a Bill that is poorly drafted and poorly thought out by people I suspect who may be geniuses in theory but have no practical experience and lack total common sense. I suggest that the Minister go back to the drawing board and meet with people who have both the

experience and the common sense needed to bring forth a sensible Bill that all Parties will approve and live with.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to speak in this debate to say that while I have only a few farmers in my constituency, I have several thousand railway workers working for both the CP and the CN who have a vital concern in the efficient operation of the railway system.

We are being asked in this Bill to destroy the statutory rate for the shipping of grain which has been commonly known as the Crow rate. The Crow rate has been characterized by many people in western Canada as their Magna Carta. It has had the support of so many people and organizations that for years the Liberal Government promised that it would not change the Crow rate until there had been full discussion and a consensus reached. Indeed, the Prime Minister (Mr. Trudeau) said on February 13, 1981:

• (1240)

We have made a decision not to deal with the Crowsnest Pass freight rates until there is a very strong demand from representatives of western farm groups and other groups to touch the Crowsnest rates.

Did he get that consensus? Let me list just a few of the groups and organizations which have expressed opposition to the present legislation. I will not list them all because it would take much more than my ten minutes. Among the groups that have expressed opposition to all or parts of the Bill are the Alberta Wheat Pool, the Saskatchewan Wheat Pool, Manitoba Pool Elevators and the Advisory Committee to the Canadian Wheat Board. Unanimous resolutions were also passed by the Manitoba and Saskatchewan legislatures.

An Hon. Member: No Liberals there.

Mr. Orlikow: There are no Liberals there. The Minister of Transport (Mr. Pepin) ought to give some thought as to why that is so.

Mr. Justice Emmett Hall is recognized in Canada for his ability to look at very complex problems and to give Canadians the benefit of his work and advice, which has proven over the years to be very sound. I remind the Minister of Transport that if we have a national, universal medical insurance plan in Canada, it is largely as a result of the study conducted by Mr. Justice Hall. Concerning the kind of legislation we are presently being asked to pass, Mr. Justice Hall said on November 24, 1981:

If once tampering with the statutory rate is accepted or condoned or is an item on the bargaining table, all will be lost. For once the subject is on the bargaining table, it will only be a matter of time until it is lost step by step.

I urge not only the Minister of Transport to heed the advice of Mr. Justice Hall but Hon. Members of the Conservative Party to do likewise. When they talk about freedom of choice, they have already accepted the idea that the rates for moving grain will go up and that somehow farmers will be compensated for the increase. I see an Hon. Member from Alberta nodding his head in agreement. All that means is that once the rates go up and farmers are compensated, we are really saying that farmers can endorse the cheques and pass them on to CPR. That is not acceptable to us.

We are told that if the Bill is passed the railways will invest some $16 billion in improving and upgrading the rail system. We are not told from where the money will come. It will come either from farmers in the form of increases over the next few years of up to 500 per cent in their cost of shipping grain, or through subsidies from Canadian taxpayers including farmers and city people. We are not told that under the plan as proposed by the Government over-all railway investment will actually decline or that railway investment will be reduced severely east of Calgary and Edmonton. We are not told that the Port of Churchill will be ignored or that Thunder Bay ports will be downgraded. We are not told that the rail systems in central and Atlantic Canada will also get very little support.

Where will the investment go? It will go to the mountain lines to subsidize the shipment of coal, and again CPR will benefit. We are not arguing that coal, potash or lumber should not be shipped. We are not saying that coal or these other products should not be exported if there are markets. We are saying that the cost of moving the increased shipments of grain, potash, coal and lumber should not be placed on the backs of the grain farmers of western Canada.

Who will benefit from this plan? Mainly the benefits will go to CPR, a corporation which was established and has grown fat as a result of grants of money to the tune of billions of dollars and grants of millions of acres of land over the years. I suggest that the Hon. Member for Portage-Marquette (Mr. Mayer) ought to look at the speeches of his Conservative colleague, the Hon. Member for Bow River (Mr. Taylor), who knows much more about what CPR has done to this country than he knows. As a result of the assistance CPR has received from Canadians in the form of cash grants, subsidies, millions of acres of land and mineral rights, today it is one of the largest corporations, if not the largest corporation, in Canada with assets of over $16 billion. It owns railway lines, shipping lines and airlines.

Mrs. Mitchell: Shipping registered outside Canada.

Mr. Orlikow: Yes, with shipping registered outside Canada and using foreign crews to avoid paying the fair wages which Canadian workers would demand. It owns real estate, mines and pulp and paper companies, to mention just a small part of its assets.

We have made our position clear. We are opposed to this rip-off which the Government is proposing, this plan that will benefit CPR. We have put forward a very clear alternative. Our alternative to the Government's plan calls for upgrading the railways. In the City of Winnipeg I have seen CPR and CNR workers who were continuously employed for 15 years to 25 years being laid off for periods of six weeks to 12 weeks in the last year. Why? The reason is that CP and CN officials have said that their current business is slow. Enough studies have been conducted to show that in the next ten years our exports of grain will go up by about 100 per cent, our exports

of potash by about 150 per cent and our exports of coal by about 400 per cent.

Now is the time for the railways to be entering a period of modernization. They could upgrade their system and build the equipment they will need, such as hopper cars, engines and signal systems. Now is the time for the railways to be modernized and upgraded. This would mean implementing a massive job creation program. Without it they will not be able to move the increased sales of grain, potash, coal and lumber we expect to see in the next ten or 15 years.

We say that that can be done while retaining the Crowsnest Pass rate for grain farmers. We believe it will cost Canadian taxpayers no more than the present plan of the Government and would create more than 100,000 new jobs in the next ten years, many of which would be in railway shops and plants in my City of Winnipeg. We want to stop the continuing policy which we have had for many years under both Liberal and Conservative Governments of handouts of money to the railways with no return to the public. We believe we should pay the railways proven out-of-pocket expenses—I emphasize that, not the kind of inflated figures we get from the railways—for hauling grain.

I point out that in 1983 we paid CN and CP $380 million. In return for the money we paid to those railway companies, the Government should take an equity share. In return for a specific capital investment in railway upgrading, in the last year we paid $550 million. If we took an equity share in CPR for the money we have given to it, we would get back part of the profits it earns, profits which are and will be very substantial. We would require the railways to maintain their investment. We have seen companies in Canada and the United States take public money and not use it for the primary purpose for which it was given, but use it for—

• (1250)

[*Editor's note: At this point the electricity supply to the Chamber was interrupted.*]

Some Hon. Members: One o'clock.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member but his time has expired.

Mr. Jack Murta (Lisgar): Mr. Speaker, I join with my colleagues in this debate this afternoon—

The Acting Speaker (Mr. Corbin): Perhaps the Hon. Member can wait for a few seconds until we see what the problem is.

Mr. Benjamin: Mr. Speaker, I rise on a point of order. Why not call it one o'clock and then we can get this place fixed up?

Mr. Murta: Mr. Speaker, I am prepared to speak over the noise in the background. I wish to make a few comments on what we all believe to be the closing stages of second reading debate before the Bill goes to committee. Hopefully the Members of the Transport Committee will take a good, long, hard look at the Bill throughout the rest of June and during the month of July.

I wish to deal briefly with two matters. First, the whole debate which has been going on for some period of time is not about nationalization, as the former speaker indicated. It does not have any part in the subject matter we are talking about today.

Mr. Keeper: Mr. Speaker, I rise on a point of order. I know this noise is not at every desk in this House, but certainly in this part of the Chamber the noise is intolerable. We cannot hear the Hon. Member speak. Would it not make more sense to call it one o'clock and get the electrical problem attended to?

The Acting Speaker (Mr. Corbin): The Chair will inquire from Hon. Members whether there is a disposition to call it one o'clock.

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Murta: Mr. Speaker—

Mr. Keeper: We cannot hear you.

Mr. Benjamin: We cannot hear him.

Mr. Murta: I guess I have about seven or eight minutes left.

As I was saying before the interruption, what we have been talking about here for some length of time has not been nationalization of another railway or anything along that line. This in the mind of western Canadians—

Mr. Lewycky: Mr. Speaker, I rise on a question of privilege. I cannot hear what the Hon. Member is saying. I honestly cannot discern what the Member is saying because of the noise. Maybe it is greater here than where other Members are sitting. I propose that we call it one o'clock.

Mr. Benjamin: Mr. Speaker, the Hon. Member for Lisgar (Mr. Murta) has a right to make his speech without any interference. You can hear the noise. The microphone and the sound system have all gone to hell. I do not know what it is like at the other end of the Chamber, but we cannot hear the Member speaking, and we cannot hear you, Mr. Speaker. Why are we sitting? Surely this is not in accordance with proper decorum and order in the House. Get somebody in here and repair the problem. Let us call it one o'clock and the Hon. Member can make his speech later.

Mr. Malone: Mr. Speaker, I just want to point out that anything that would get close to the NDP would all go to hell.

Mr. Keeper: Mr. Speaker, the Hon. Member for Crowfoot (Mr. Malone) just rose and made a point with regard to the NDP. I am sorry but we could not hear what he said in this part of the House. This is not the way to carry on the business of the House.

The Acting Speaker (Mr. Corbin): Order. There is a very serious technical difficulty. The Chair must admit that it is having difficulty hearing interventions from that corner of the House. If Hon. Members are being hampered in the due process of debate, that is to speak and be heard, perhaps we should adjourn at this time. Is it agreed?

Some Hon. Members: Agreed.

Mr. Benjamin: Mr. Speaker, I agree that we should adjourn at this time. I hope that when the House resumes debate on this subject, the Chair will give the Hon. Member for Lisgar (Mr. Murta) his full ten minutes because we have hardly heard a word he has said so far.

The Acting Speaker (Mr. Corbin): It being one o'clock, I do now leave the Chair until two o'clock.

At 12.54 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

SHIPBUILDING

BENEFITS FOR QUEBEC FROM FRIGATE PATROL CONSTRUCTION CONTRACT

Mr. Gaston Gourde (Lévis): Madam Speaker, last Friday, union workers from the Davie Shipbuilding Ltd. shipyards at Lauzon, representatives of socio-economic organizations, mayors and business leaders marched in the streets of Lauzon and Lévis to demonstrate their support for awarding the National Defence frigate construction project to the Scan group.

I spoke on that occasion and indicated my own support for this option as well. A petition with 5,200 signatures, collected in four days, was handed to me, a petition signed by people from all walks of life in the riding of Lévis, and by Canadians from all regions.

I hope this new development will be considered by Cabinet members before a final decision is made. This unique contract is very important to the Quebec City area, which depends on this type of government investment to continue its economic development.

I may recall that over one million people live in this area, and if this option is chosen, it will provide a reasonable level of employment for a number of years.

[*English*]

METRIC CONVERSION

PROGRESSIVE CONSERVATIVE PARTY COMMITMENT TO RESCIND MANDATORY ORDERS IN COUNCIL

Mr. Bill Domm (Peterborough): Madam Speaker, the Minister of Consumer and Corporate Affairs (Mr. Ouellet) has locked up his last retail grocer, put cable around his last gas pump, and prosecuted his last floor covering dealer for using imperial measurements. There has never been a survey or poll taken which would indicate that the majority of the Canadian people want metric measurement. For this reason, the Progressive Conservatives, in Opposition, make the following commitment. All Orders in Council passed making imperial measurement illegal shall be rescinded, and the Canadian people will have freedom of choice. Canada would follow the course taken by the United States and the United Kingdom by implementing a voluntary program which would leave the pace of change up to the retailers, manufacturers, and consumers.

The Minister of Consumer and Corporate Affairs has lost control of his senses. The people of Canada do not want mandatory metric. When Members of the Conservative Party form the next Government we will return to a voluntary program, and grocers, floor covering sales people, and gasoline station operators will not be prosecuted if they wish to use imperial measurement.

The Progressive Conservative Party has adopted the following resolution: "We deplore the continuation of the policy of the Government of enforcing compulsory metrication in Canada and we will take, when in Government, any action necessary to abandon compulsory metrication in Canada."

* * *

[*Translation*]

AIR TRANSPORT

PROVINCE OF QUEBEC'S POSITION ON QUEBECAIR

Mr. Rémi Bujold (Bonaventure-Îles-de-la-Madeleine): Madam Speaker, this morning, in the Quebec National Assembly, the Quebec Minister of Transport responded to the offer he received at the beginning of April from Air Canada to settle the Quebecair problem once and for all.

The Quebec Minister of Transport responded by nationalizing Quebecair. What is even more surprising, Madam Speaker, is that since April, the Quebec Minister of Transport has never been in touch with the federal Minister of Transport (Mr. Pepin) to enquire about the proposal that had been made by Air Canada.

Madam Speaker, the Government of Quebec is refusing the $12.5 million offered by the Government to Quebecair in order to stabilize the situation. In addition, it has turned down the federal Government's offer to help pay future debts of Quebecair.

S.O. 21

Madam Speaker, it seems as though the Government of Quebec and the Minister of Transport are once again getting involved in a nationalist venture. On top of that, the announcement come just two days before Quebec's national holiday.

Once again, it is clear that this Government does not care at all about the current situation at Quebecair or the interest of airline users.

Madam Speaker, I think that once again, we are seeing a Government that is only interested in making Quebec independent and is not concerned about the people of Quebec.

* * *

INDUSTRY

PRODUCTION OF CIGARETTE TOBACCO—CREATION OF NATIONAL OFFICE

Hon. Roch La Salle (Joliette): Madam Speaker, increasingly, there has been talk of the possibility of establishing a national cigarette tobacco production board.

[*Editor's note: Interruption caused by power failure.*]

Madam Speaker, since I represent a riding that has a vested interest in the production of cigarette tobacco, since 90 per cent of the Quebec harvest comes from the riding of Joliette, I took the trouble to send a letter to all my Quebec colleagues especially, to show the Minister that I am certainly not opposed to the idea of establishing a national board. However, since a national board will be concerned with exporting tobacco, it will also have to monitor production and set quotas. Since Quebec produces only 50 per cent of the tobacco consumed in the province, I hope that in the event Canadian production would have to be cut back, Hon. Members and especially the Minister will agree to allow Quebec production to be maintained at least at present levels. I am mentioning this as a warning to the Government that it is highly unlikely Quebec producers would agree to cutbacks in production if that became necessary, since they are producing only 50 per cent of the tobacco consumed in the province. In the circumstances, I thought it would be a good idea to make my colleagues aware of this point. I have received acknowledgements from the Prime Minister (Mr. Trudeau) and the Minister of Agriculture (Mr. Whelan), and I hope all my Quebec colleagues will do likewise.

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[*English*]

NUCLEAR ARMAMENTS

REPORTED STATEMENTS BY CANADIAN ADMIRAL

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, yesterday Canada's own Admiral Robert Falls, the Chairperson of the NATO Military Committee, added his voice to those of many other western military leaders in condemning the nuclear arms buildup. The Admiral is particularly alarmed at the buildup of battlefield nuclear weapons in Europe and says that NATO already has more weapons than it needs even before it deploys the Cruise missiles and the Pershing II missiles in Europe.

Admiral Falls is an accomplished military leader who is obviously familiar with the strengths and the weaknesses of NATO. For the benefit of the Prime Minister (Mr. Trudeau) and the Minister of National Defence (Mr. Lamontagne), I might add that he is not someone who could be accused of being either pro-Soviet or anti-American. Yet Admiral Falls feels comfortable saying that NATO could unilaterally reduce its stockpile of nuclear weapons without upsetting deterrence or undermining our security.

The Admiral's statement is only the latest one that exposes the hypocrisy of the Government's policy of talking peace while throwing fuel on the arms race. The Government is already aware that the introduction of long-range Cruise missiles will destabilize arms control agreements because the Cruise missile defies verification. Arms control agreements depend on verification, not on trust.

In good conscience the Government can only make one decision, and that is to refuse to test the Cruise and press both super powers to negotiate a ban on long-range Cruise missiles now.

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SPORTS

WORLD UNIVERSITY GAMES—PRIME MINISTER'S ATTENDANCE URGED

Mr. Bill Yurko (Edmonton East): Madam Speaker, from July 1 to July 11, Canada will be host to athletes from 97 countries who will be participating in Universiade '83 in Edmonton. This event is second only in size and importance to the Summer Olympics. It is an event that goes beyond athletic competition. It is a world event that builds friendship through competition, understanding through brotherhood, and peace through tolerance and good will.

The grand opening of this major international event will set the stage for subsequent competitions. It is expected that the Prime Minister of Canada (Mr. Trudeau) will play a prominent part in the opening ceremonies.

I have been advised, Madam Speaker, that the Prime Minister might not attend the grand opening of the Games. Why not? The country only has one Prime Minister. Surely when athletes from 97 countries, with all of their attendant dignitaries and officials come to our country, our Prime Minister should welcome them on behalf of all Canadians as he represents us all.

I ask the Prime Minister to rise in the House and advise the nation that he will be attending and will participate in the opening ceremonies of Universiade '83.

THE ECONOMY

CONSUMER PRICE INDEX REDUCTION

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, economic indicators continue to show that inflation is on the wane and an economic recovery is under way. Statistics Canada has reported that the Consumer Price Index rose by only .3 per cent in May, as compared to April, this reducing the increase from one year ago to 5.4 per cent. This, Madam Speaker, represents the lowest annual increase since December, 1972, and it represents a reduction of 7.5 per cent from the peak of 12.9 per cent in June, 1981. This, Madam Speaker, is irrefutable evidence of the success of the six and five program.

• (1410)

Some Hon. Members: Hear, hear!

Mr. Smith: All the cynicism emanating from the other side cannot change the facts. More good news! Furthermore, the signs of an economic recovery are apparent as well. Canada had a growth rate of 1.8 per cent, inflation-adjusted, in the economy during the first quarter of 1983. That followed six quarters of decline. This is evidence, Madam Speaker, that recovery is under way.

Some Hon. Members: Hear, hear!

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METRIC CONVERSION

APPLICATION TO CANNING AND PACKAGING INDUSTRY

Mr. Gordon Towers (Red Deer): Madam Speaker, in the area of metric conversion it would appear that the Metric Commission has misled the Consumers' Association of Canada. All along, the Consumers' Association of Canada, because of assurances from the Metric Commission, has been promising consumers a simpler marketplace with fewer sizes, rationally related. This was supposed to be one of the advantages of conversion. Canadian canners and packagers are unwilling to convert their equipment because of the horrendous expense, so, consequently, we have cans and packages with a lot of funny numbers which are confusing to shoppers.

If, as the Metric Commission maintains, conversion is voluntary—sector by sector—the Canadian canning and packaging industry ought to be permitted to can, package, wholesale and retail in familiar imperial measures to keep industry costs down and, in the long run, to keep costs down at the supermarket checkout counters, thereby assisting in the control of inflation and at the same time protecting our trade edge with non-metric countries, especially the United States.

S.O. 21

NATIONAL ENERGY PROGRAM

CALL FOR NATIONAL CONFERENCE AND INQUIRY INTO GASOLINE PRICING

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, Canadians today are suffering from the results of the Government's inept energy policies. Despite the Liberals' promises of oil prices at 75 per cent of the world price level, Canadians are now paying more at the pump than American consumers, while our oil and gas industry is in a state of chaos. Rather than helping Canadians, the National Energy Program has had a disastrous impact on the economy.

There is no doubt that Canada needs a national conference on energy pricing and taxation. Such a conference must include the federal Government, the producing Provinces, the consuming Provinces, as well as input from consumers and industry. In addition to a national conference on energy policy, there must be a national inquiry into gasoline and fuel oil pricing. No clear understanding exists today of what is a fair price for fuel, with price wars and price piggybacking going on across the country. Rather than dealing with a restrictive trade practices commission, we should have an inquiry into pricing which exists currently today. The Government must provide protection to consumers at the well head and at the gas pump. Therefore the country needs a national inquiry into the pricing procedures at the gas pump.

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[*Translation*]

AIR TRANSPORT

NATIONALIZATION OF QUEBECAIR—CONSEQUENCES FOR CERTAIN REGIONS OF QUEBEC

Mrs. Éva Côté (Rimouski-Témiscouata): Madam Speaker, as was mentioned earlier by our colleague for Bonaventure—Îles-de-la-Madeleine (Mr. Bujold), Quebecair was nationalized today by the Quebec Government. The House is aware that I represent a region that is particularly lacking in air transportation. It is also a fact that under federal legislation on air transportation, the Government of Canada is obliged to maintain transportation by air to very remote areas for which specific requirements have been identified. I wonder whether there will be any legal or moral obligation on the Government of Quebec to maintain a service in a region like ours. Madam Speaker, perhaps I may point out that the kind of gifts being offered by the Government of Quebec to the people of Quebec today are strangely similar to the gift it gave us on June 23, 1982, when it passed a basic statute that retroactively excluded the Canadian Charter of Rights and Freedoms from all Quebec legislation. I think that this year, June 24 will be a particularly sad day for Quebec.

[*English*]

THE ROYAL FAMILY

SYMBOLISM OF VISIT BY PRINCE AND PRINCESS OF WALES

Mr. Ron Stewart (Simcoe South): Madam Speaker, upon meeting the Princess of Wales yesterday she expostulated that they were "overwhelmed with the warm welcome of Canadians". We Canadians were overwhelmed with the Royal couple's idyllic love, social grace, and personification of the democratic system. What a breath of fresh air they represent, as opposed to the socialist hordes in front of me and to my left.

Some Hon. Members: Oh, oh!

Mr. Stewart: Perhaps the socialist gathering this evening at Kingsmere will be awakened to what their Royal Highnesses really represent—freedom—and will be awakened particularly to the fact that socialism destroys morale, terminates initiative and incentive, and leaves a nation apathetic and listless.

Some Hon. Members: Oh, oh!

Mr. Stewart: The mythological Royal couple represents the victory of the democratic head of Government over the frugal—

Some Hon. Members: Oh, oh!

Madam Speaker: Order, please. Order.

Mr. Stewart: The mythological Royal couple represents the victory of the democratic head of Government over the frugal, melancholy mantle of imposed state control known as socialism. The Royal pair symbolizes the free world, no longer the divine right of kings, and in real flesh and blood. They are the living embodiment of over 1,000 years of tradition, of our parliamentary system and all the rights and freedoms—

Some Hon. Members: Oh, oh!

Mr. Stewart: —we cherish so dearly, the traditions, languages, rights and freedoms which have been systematically eroded by the present Prime Minister (Mr. Trudeau). To Your Royal Highnesses, our unswerving love and loyalty for all that you represent. Hurry back, and God bless.

Some Hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

PUBLIC SERVICE

NATIONAL CAPITAL COMMISSION—SALARIES OF EMPLOYEES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is directed to the Minister of Finance and it is really a follow up to yesterday's questioning of the Minister for apparently asking those in the country to follow his word as opposed to the Government's action.

Yesterday, in reply to the suggestion on my part that many in the Public Service have exceeded the six and five guidelines, the Minister threw out a challenge to me. He said, "I challenge the Hon. Member to prove that the average salary of employees working, for instance, for the National Capital Commission has increased more than 6 per cent". Would the Minister indicate to the House, when he threw out that challenge, was he unaware of the fact that in Main Estimates 84, the average salary in the National Capital Commission was $30,344, compared to 1983 when the average salary was $25,669, an increase of 18.2 per cent?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I would have been very happy to hear an introductory comment by the Hon. Member referring to the fact that today we have heard excellent news on the Consumer Price Index, that we have for the eleventh month a straight decline in inflation in this country—

Some Hon. Members: Hear, hear!

Mr. Lalonde: —and that from May of last year to this year, we have had an inflation rate of only 5.4 per cent.

An Hon. Member: Answer the question.

Mr. Lalonde: That is the smallest increase recorded since December, 1972.

Some Hon. Members: Hear, hear!

Mr. Lalonde: I believe that clearly indicates that the measures taken by the Government, together with Canadians, have produced excellent results, and that in effect the six and five program, together with the other measures taken by provincial Governments, municipalities, and by everyone in the private sector, has produced excellent results for the country. We have succeeded in bringing inflation down quite significantly, and we will be able to ensure more jobs and more growth for the Canadian economy in the year to come, thanks to this excellent progress.

As far as the question raised by the Hon. Member is concerned, I must remind him, as I indicated yesterday, that one has to take into account several factors. Parliament passed legislation imposing a 6 per cent and 5 per cent maximum increase on public servants. That is the law under this Parliament, and that is what is being applied. The Hon. Member knows that collective agreements expire at different times, and Parliament decided not to roll back those agreements in effect. Therefore, there were increases coming into effect which were in excess of 6 per cent past last June and which would show up in those results. But what is important—

• (1420)

Some Hon. Members: Oh, oh!

Mr. Lalonde: —Madam Speaker, the Hon. Members have not taken the trouble—

Madam Speaker: Order, please.

AMOUNT OF AVERAGE SALARY INCREASE

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my supplementary question is directed to the same Minister. When inflation was on the rise in this country we were told it was due to world conditions, but with inflation coming down it is solely the Government's responsibility. Perhaps the Minister of Finance could answer a very simple question. Does he agree that average salaries in the National Capital Commission for 1984 will indeed be approximately 18 per cent above those in 1983?

Hon. Marc Lalonde (Minister of Finance): 1984?

Mr. Stevens: Fiscal year 1984.

Mr. Lalonde: Madam Speaker, first of all I have to remind the Hon. Member that when inflation was high in this country he blamed the Government for it all. Now he wants to turn around and say it has come down, but no thanks to the Government. Again, he should make up his mind. Either we were to blame for inflation before, as he blames us for it, or not. But he cannot have it both ways.

Some Hon. Members: Hear, hear!

Mr. Lalonde: As far as the NCC is concerned, Madam Speaker, I do not have the figures at hand but I can tell the Hon. Member quite clearly that Parliament has passed a law, and the salaries of federal public servants are allowed to increase only by 6 per cent and 5 per cent when they are doing the same job, and this takes place as the collective agreements expire. I would ask my hon. friend therefore to check further into the matter.

MONITORING OF SALARY INCREASES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, would the Minister indicate to the House what guidelines have been given by his Department to ensure that, Department by Department, there are not little wrinkles to get around the guidelines through promotions and other such devices? Secondly, would he indicate what monitoring will continue to ensure that indeed these excessive average salary increases we are now witnessing in the Public Service do not continue?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, as a former President of the Treasury Board the Hon. Member should know these matters are under the authority of the Treasury Board, not that of the Minister of Finance. But I can tell him without hesitation the Government has been very careful to make sure the law passed by this Parliament is being implemented and increases are not going to be more than 6 per cent and 5 per cent. That is the rule which is being applied. Obviously there are promotions, and changes in the situation of a particular individual, as I indicated before in the case of the Hon. Member for Yukon who changed jobs and also changed salaries.

I can assure the Hon. Member that the Treasury Board is exercising very strict control over this issue, and I think his comments about the Public Service are quite unfair and inappropriate.

Mr. Beatty: Madam Speaker, the Minister of Finance will be changing jobs and changing salaries shortly, too.

Some Hon. Members: Hear, hear!

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GOVERNMENT RESTRAINT PROGRAM

TAXING OF CABLE COMMUNICATIONS SUBSCRIBERS

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, I want to put a question to the Minister of Finance with regard to his budget. In view of the fact that cable companies under the government's 6 and 5 program have already been allowed to increase fees to their subscribers, how does he justify slapping a new tax on cable subscribers? Does six and five mean 6 plus 5?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I am very interested in hearing that my hon. friend is promoting me to another, more elevated position, I suppose.

Some Hon. Members: Oh, oh!

Mr. Lalonde: I want to tell him that I will not go after him for support or as an organizer.

As far as the tax is concerned, the Hon. Member knows that in the budget I announced a 6 per cent tax on cable subscribers. That tax has been justified on the basis that we needed to establish a fund to provide for Canadian broadcasting production. Part of that tax is going to be used to fulfil that particular objective. I hope my friend supports this because we have come out with a clear policy of encouraging Canadian broadcasting production, and that requires public funds. Indeed, if cable subscribers are going to benefit from the programming, they should be called upon to contribute to the cost of production.

Mr. Beatty: Madam Speaker, it is not for me to tell the Minister where to go; the Canadian people will be doing that shortly.

Oral Questions

CROWN CORPORATIONS

REQUEST THAT AUDITOR GENERAL BE PERMITTED TO CONDUCT AUDITS

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, my supplementary is for the President of the Treasury Board. In view of the fact that figures just released by the Government in the past few days indicate, in the case of Canadair, the largest corporate loss in the history of Canada, and it appears that, if controls apply anywhere, they do not apply to controlling the losses of Crown corporations, will the Minister now agree that the Auditor General of Canada should have full access to the books of all Crown corporations and, in particular, the grandaddy of all Crown corporations, the Canada Development Investment Corporation?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, this is an issue on which there are various arguments, which we are seriously considering. When we present to Parliament our views on possible amendments to Bill C-153, it is an issue that we will be happy to have more to say about.

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BANKS AND BANKING

PROFITS OF CHARTERED BANKS—SPREAD BETWEEN DEPOSIT RATES AND INTEREST CHARGES

Hon. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Finance. Figures released today show that the profits of the chartered banks are up some $1 billion for the past six months. The article containing these figures points out that the reason for this is that the spread between what the banks pay depositors and what they charge borrowers has increased, and therefore home owners, small-businessmen, and all kinds of other Canadian consumers are being overcharged by the banks. If the Minister is really concerned about inflation, why does he not take action regarding the banks and get them to reduce their charges to borrowers?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member refers to the spread. I would like to bring to his attention that the interest rate spread for the big five banks was 2.78 per cent compared to a five-year high of 3.08 per cent. The return on assets for all Schedule A banks, although rising to .52 per cent, was still below the five-year historical high of .66 per cent. So my friend should look at the record and realize what the situation is.

Secondly, if my friend looks at the profits of the banks two years ago, for the whole year, he will realize that they were roughly double what they were for the last six months.

Mr. Deans: That was what we were telling you two years ago.

Mr. Lalonde: At that time a parliamentary committee studied this matter and came to the conclusion, two years ago, that bank profits were not excessive. That was the conclusion of a committee of this House at that time, so my friend should bear that in mind.

REQUEST THAT MINISTER TAKE ACTION AGAINST BANKS

Hon. Edward Broadbent (Oshawa): Madam Speaker, the historical reality is that for the past two years workers' wages have been going down, month after month after month. Bank profits have been going up. The bank pays a depositor 7 per cent and then increases that by 100 per cent because a typical consumer loan is now 14 per cent. That is the real cause of inflation. Is the Minister not concerned about this unfair gouging of consumers, which also causes a loss of jobs? If he is, why does he not for once take some action against the banks, instead of always talking about workers' salaries, which have been going down, not up?

• (1430)

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I would like to inform the Hon. Member that for the first time in five years, without the support of the NDP, by the way, Canadian workers will see their standard of living improving, this year, and they will be ahead of inflation.

Some Hon. Members: Hear, hear!

Mr. Lalonde: Again I remind my hon. friend that bank profits in 1981 were roughly $1.7 billion. For the six month period ending April 30, 1983, they were $900 million. That is equal to about half of the profits for the full year of 1981, and one should realize that this is two years later, and take inflation into account, et cetera. At that time those profits were studied by a parliamentary committee and found not to be excessive. I am not surprised therefore that my hon. friend would raise his usual rhetoric, but he should consider the facts again.

EFFECT OF BANK CHARGES ON CONSUMERS

Hon. Edward Broadbent (Oshawa): Madam Speaker, the Minister of Finance, if he were direct in the House, would know that the reason inflation has gone down in this country is because the Government has created circumstances where there are 1.5 million unemployed.

Mr. Nielsen: Two million.

Mr. Broadbent: That is the real reason wage rates have come down, not because of the Government's silly program.

The Minister cited 1981, which was one of the years of record profits for the banks. He is now implying that it is a reasonable target. Will he not, I ask for a third time, recognize that consumers are being overcharged, home owners are being overcharged, and small-businessmen are now being overcharged by the banks? If he will recognize that fact, will he

take action, or does he really want to return to the situation of 1981, where the banks made their highest profits in decades? Will he show some genuine concern, in short, about inflation, and attack it where it is occurring, instead of making scapegoats of workers?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member says that the profits were record high in 1981. I told him that the matter was studied by this House in 1981.

Mr. Broadbent: It was the Conservatives.

Mr. Lalonde: They were not found to be excessive. They were found to be appropriate profits. Far from making scapegoats of the workers, on the contrary our policy has all been aimed at trying to improve the lot of workers in this country.

Some Hon. Members: Oh, oh!

Mr. Lalonde: As I said, for the first time in five years workers will see their standard of living improved in 1983, thanks to the policies we have followed in fighting inflation, without the support of the NDP, mind you. Therefore, as far as the general situation involving profits and interest rates is concerned, I believe that the solution is through competition. If the banks are overcharging, there are other financial institutions in the market, beginning with credit unions and caisses populaires, which are also in the business of lending money, and there is a great deal of competition. What we should do is to encourage competition between institutions. This is the line I have been following, and the one I intend to follow.

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TRADE

EXPORTS TO PACIFIC RIM COUNTRIES

Mr. D. M. Collenette (York East): Madam Speaker, my question is addressed to the Minister of State for International Trade. The *Financial Post* has just reported that Canada's prospects for international trade look extremely good in the 1980s, particularly with Pacific Rim countries. In view of the fact that Canada's trade in goods posted a surplus of $6 billion in the first four months of 1983, could the Minister inform the House whether the initiatives taken earlier this year by the Prime Minister himself, in southeast Asia, have contributed to this admirable record?

Some Hon. Members: Oh, oh!

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, in response to the Hon. Member I want to say that the southeast Asian market is our most rapidly expanding market and is of intense importance. I guess that if the rules of the House were to allow, I could read off, for the Hon. Member, an endless number of contracts which have been signed or are under their last stages of negotiation since the Prime Minister's visit to southeast Asia. Perhaps I would merely point out that exports from Canada to Asia over the past year increased at a time when Asia's over-all imports were going down, from $7.8 billion, to $8.3 billion.

Some Hon. Members: Hear, hear!

Mr. Regan: I would further suggest that any Hon. Member who wants to know the value on the sale of Canadian goods abroad of trips such as the one the Prime Minister made to southeast Asia need only contact any one of the 44 senior businessmen who travelled with me and who were signing contracts on a daily basis as a consequence of the Prime Minister paving the way.

Some Hon. Members: Hear, hear!

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GOVERNMENT RESTRAINT PROGRAM

COMMUNITY DEVELOPMENT PROJECTS—INCREASE IN WORKERS' WAGES

Mr. Bill Domm (Peterborough): Madam Speaker, today we have heard many platitudes coming from the Government side on the terrific success of the six—

Madam Speaker: Order. I believe every single Member who asked a question today began by making a comment on the answer which had just been received. That must definitely be ruled out.

Mr. Domm: Madam Speaker, concerning the six and five program, I have a question I would like to ask of the Minister of Employment and Immigration. It stems from the fact that the six and five program was introduced in order to bring down inflation. It has been brought to my attention in my riding that adults employed on the Community Development Projects, unemployed people who gained employment under the Government's program, have received an increase over a two year period, of from $158 a week to $168 a week, which represents a 3 per cent annual increase in their incomes under the Government's program. Has the Government brought about a decrease in inflation on the backs of the unemployed?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, it is that kind of question which really becomes very vexatious. It is not really a very serious problem. Through the Community Development Projects we are trying to extend the amount of money which, this year, will amount to several hundreds of millions of dollars, to help as many unemployed people as we can. Those moneys are paid according to the minimum wage standards in each of the Provinces.

If the Hon. Member has a problem with how much is being paid, I would suggest that he take it up with his provincial counterparts on the adjustment of their minimum wage requirements in the Province of Ontario.

MINISTER'S POSITION

Mr. Bill Domm (Peterborough): Madam Speaker, I would like to follow my first question with a supplementary. Is the Minister comfortable with the thought that while employees of the Government under the Northern Pipeline and the National Energy Board received 13.1 per cent and 13.9 per cent salary increases in the same period of time, the people he employs, who were unemployed, received 3 per cent per year?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, what I am comfortable with is the fact that, through the initiatives of the Government, just since about one year ago we were able to bring the inflation rate down from well over 12 per cent to 6 per cent now, which will provide a tremendous amount of relief and support to all Canadians right across the country.

Mr. Lewis: How is your unemployment rate?

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NATIONAL SECURITY

ISSUANCE OF SURVEILLANCE WARRANTS—ANNUAL RENEWAL

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, last week the Solicitor General was widely quoted in the media as indicating that there were many people in Canada against whom Solicitors General surveillance warrants had been permanently issued. Is the Solicitor General now claiming that he was widely misquoted in those statements, or has he drastically altered the system which was in effect in 1980 when he took office, whereby each one of those warrants had to be reviewed and reissued at least every calendar year?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, as my predecessor in office knows quite well, there is no authority under the Act for permanent warrants to be issued. In fact the articles which reported that some Canadians were under lifetime surveillance were quite inaccurate. I indicated that there were some warrants which were in place permanently, in the sense that they were renewed, but the Hon. Member is quite right in saying that they must be renewed every year. I am glad to have the opportunity to indicate that none of those warrants, and it is a rather small number which is renewed on a regular basis, are oustanding against Canadian citizens.

PLANTING OF ELECTRONIC INTERCEPTIVE DEVICES

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, my supplementary question to the Solicitor General also relates to some past history. He will know that when he took office in 1980, no Solicitor General's warrant authorized any surreptitious entry for the placing of an intrusive device. Has he changed that procedure as well?

Hon. Bob Kaplan (Solicitor General of Canada): The Hon. Member, Madam Speaker, is incorrect about that matter. It is my view that the warrant authorizing the planting of an electronic intercept includes in it the right to enter surreptitiously. That view has been sustained by the law officers of the Crown. It has been supported—

Mr. Hnatyshyn: That's not what Justice Spence said.

Mr. Kaplan: —by two outside legal opinions which I obtained following my release of the report of the McDonald Commission. As far as I can see, there is no way in which a device can be planted pursuant to a Solicitor General's authorization under Section 16 of the Official Secrets Act. Is the Hon. Member suggesting that when he authorized electronic intercepts to be placed, he asked members of the Security Service to obtain the permission of the target? The suggestion is ridiculous.

* * *

• (1440)

AUTOMOTIVE INDUSTRY

NEGOTIATIONS OVER JAPANESE MANUFACTURED CAR IMPORTS

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is directed to the Minister of State for International Trade. At the end of this month the voluntary agreement with the Japanese on the importing of Japanese manufactured cars will run out. Can he tell the House what the present status of the negotiations is between Canada and Japan over limiting imports of Japanese cars? Can he tell us exactly what he has achieved to date, since he has now been the Minister for some ten months? Can he tell us what he has been able to achieve? What is the status of the negotiations, and will he state whether or not there will be more than just a temporary agreement with the Japanese this time around?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, in answer to the latter part of my hon. friend's question about what I have achieved, I would have to say that I have always been taught that self praise is poor recommendation.

I want to say to him that the six-months restraint agreement that we achieved with Japan in relation to the import of automobiles was a marked reduction, as the Hon. Member will remember, over the number that had come into the country during the same period in the previous year. I guess that is progress.

In relation to the present negotiations, I would have to say to the Hon. Member that what I am seeking is to have an agreement in place by July 1. I am seeking to have an agreement that will run for at least the rest of the fiscal year. That is not just to January 1, but to March 31, so that the term of our agreement would expire at the same time as the agreement which the United States has with Japan. The Japanese cannot then stall our negotiations for any renewal on the claim that they are waiting to complete negotiations with the larger

market of the United States first. I hope to report to him on the negotiations before July 1. If that is not achieved, we will have to consider other options in those circumstances.

CANADIAN CONTENT—TASK FORCE RECOMMENDATIONS

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, the Minister is talking about the American agreement. The Japanese are now producing in the United States. That agreement also covers trucks.

Could the Minister confirm that this will be part of the agreement between Canada and Japan? Will he also confirm that his officials are working on a Canadian content Bill that would implement some of the recommendations, if not most, in the automobile Task Force report as a contingency plan if the negotiations with Japan on the limiting of imports fail?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, I have not authorized officials to work on the drafting of any such legislation. It might well be that legislation of that type may fall under the jurisdiction of the very distinguished Minister of Industry, Trade and Commerce.

I can say to the Hon. Member that the report of the auto task force will be carefully studied by Cabinet. Only after Cabinet has reached a conclusion on it would there be such action as negotiations on those points with Japan, or on the question of drafting legislation. I think it is important that we have a restraint arrangement in place for at least a further nine months while we proceed with the examination and consideration of the recommendations of the task force.

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FISHERIES

RESTRUCTURING OF MAJOR FISH COMPANIES IN ATLANTIC CANADA

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I wish to direct my question to the Minister of Fisheries and Oceans. In light of the Government's proposals for restructuring Atlantic Canada's five major integrated fish companies and, I would add, the discussions that were held only last week between the heads of these companies and officials of the Minister's Department, is he now in a position to inform the House about the Government's plans in this area? How much money will be provided to bring about the amalgamation of these companies?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I can tell the Hon. Member that the amounts involved here will be substantial and that all parties will have to contribute. As well, I hope those negotiations will be concluded in the very near future.

FUTURE OF SMALL INDEPENDENT COMPANIES

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, will the present five large companies, National Sea and H.B. Nickerson of Nova Scotia, Fisheries Products, the Lake Grop and John Penney Limited of Newfoundland be amalgamated into two companies, for example, one in Nova Scotia and one in Newfoundland? If so, what will be the future role of a large number of small and mainly specialized individually owned companies? Will they be in a position to compete with the government financially assisted companies?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, this is certainly a valid question. Like the Hon. Member, I have noticed that the smaller companies on the whole have fared better than the bigger ones. There is no reason to believe that they will be cornered by the bigger ones.

I am sure that my hon. friend understands that I cannot give any details of those negotiations and what their final outcome would be. I can tell him that I and other Members of Cabinet are overseeing that restructuring. I hope that an agreement would be reached with all interested parties in the very near future.

* * *

UNEMPLOYMENT INSURANCE

ELIGIBILITY OF FRESHWATER FISHERMEN—DRAFTING OF REGULATIONS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is directed to the Minister of Employment and Immigration. He will know that we amended the Unemployment Insurance Act in this House two weeks ago, which will make freshwater fishermen eligible for unemployment insurance. They have been paying into the fund for a number of years. Is the Minister treating this as a priority, and when will the regulations be drafted to allow unemployed freshwater fishermen to draw on the fund?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I am very pleased that the House was able to support the special application of the unemployment insurance regulations to inland fishermen. We are now working on the regulations. I would expect that they would be applied to that particular group of workers for this particular fishing season, starting this Spring and Summer.

FRESHWATER FISH MARKETING CORPORATION—COSTS CHARGED TO FISHERMEN

Mr. Jack Shields (Athabasca): Madam Speaker, my supplementary question is directed to the Minister of Fisheries and Oceans. Freshwater fishermen must market their fish through the Freshwater Fish Marketing Corporation in Winnipeg. The Minister will know that the Freshwater Fish Marketing Corporation's cost of operation is in excess of 35 per cent, which is taken directly from the fishermen's pockets and reduces their income substantially. Will the Minister do

something about this very inefficient Corporation? And when will he report to the House that he has done so?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, I can tell the Hon. Member that I had the pleasure approximately two weeks ago of meeting with the Associate Minister of Resources of Alberta, who came to me to talk precisely about that topic. I would remind the Hon. Member that the Government of Alberta is a member of the board of the Freshwater Corporation. The matter to which he is referring is being investigated at the moment by the provincial authorities in Alberta.

On the other hand, I would remind the Hon. Member that when the Conservatives were in power they investigated the usefulness of the Freshwater Fish Marketing Corporation. My information is that, after having met with the fishermen of the three western Provinces, the overwhelming evidence was that that mechanism, in which there is room for improvement, of course, is the best mechanism by far to bring about stability and maximize the earnings of the fishermen.

* * *

PIPELINES

ALASKA HIGHWAY PIPELINE COMMISSION—OPERATIONAL COSTS

Mr. Arnold Malone (Crowfoot): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. Since he has not been able to give any projections in response to repeated questions in the House as to when the Alaska Highway Northern Gas Pipeline will be initiated on the northern route, how can he continue to justify keeping the Commission in place, which has budgeted for more than $5.3 million this year, if he cannot also point specifically to something they are doing today which could not be done when the pipeline is in fact put in place, which could take anywhere from ten years or into the next century? Why are you paying your Liberal friends $5 million if you cannot justify their activity?

• (1450)

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I think the Hon. Member should know, if he is aware of the facts, that it was at the request of the industry that we are keeping this outfit in operation. The cost of this operation is paid through the Government by the industry.

An Hon. Member: It is paid by the Canadian consumer.

Mr. Chrétien: It costs the taxpayer nothing.

REQUEST THAT COMMISSION BE MOTHBALLED

Mr. Arnold Malone (Crowfoot): It matters not, Madam Speaker, from where the request comes. It matters totally how the Government of Canada accounts to its people. What we have is an expenditure of $5.3 million, for which there is no accountability of activity. If the pipeline is not scheduled to be built in the foreseeable future, I ask the Minister again why he does not set this project aside until such time as he can get a commitment that the pipeline is, in fact, imminent and will be built in the near future, and then he can go ahead with activities. What activities are there today that cannot be done by the Commission that can be set up again and done tomorrow when the pipeline is being constructed?

[*Translation*]

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): In my opinion, the Commission's role consists in maintaining the relations that are necessary to keep this project alive, until such time as it will be possible to proceed, and if the Hon. Member does not understand, I will say it again in French. The expenses incurred on this project are not paid by the Government but by the industry, which asked to have this program maintained, and it is the industry that is providing the Government with the necessary funding to pay the salaries to which the Hon. Member is referring.

* * *

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

REQUEST THAT COMMITTEE HEARINGS BE HELD IN VARIOUS CENTRES

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my question is for the Minister of Transport. He is aware that at this time of the year the majority of the farmers who would be most affected by the proposed Crowsnest Pass freight rate changes would be unable to attend committee hearings, either in Ottawa or, for that matter, in most of the other major centres across the country. Is the Minister prepared to assure them now, through the House of Commons, that he will do all in his power to guarantee that if, as, and when the Bill goes to committee, the committee hearings will be held at a time when the farmers themselves will be able to attend the hearings and in centres accessible to the majority of farmers?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I understand the Magna Carta of committees is that they decide on their own agenda. I would not dare introduce myself into their decision-making process.

MINISTER'S POSITION

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I wanted to know on behalf of those people who are concerned if that answer would be forthcoming.

Is it the hope of the Minister and will the Minister express his opinion here in the House of Commons on whether he believes it is important that the farmers who are to be affected by the proposed changes should be given every opportunity to

appear at the hearings? And in order to achieve that end would it be the wish of the Minister that the committee, once seized of the Bill, should travel through western Canada at such a time and to such places as to guarantee that the farmers who will have to pay the loses will be given every opportunity to appear and have their views heard, recognizing that August 1 will have passed and the Bill would not necessarily, therefore, go into effect until next year?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, if my hon. friend insists on having my own views, I would have thought, first, that there would be a happy medium between listening to 140,000 people and listening to some. Second, I would have thought that the leaders of western farm organizations and others are representative of the western farmers. Many of them are elected, and many of them elected more often than Members of Parliament. I would have thought that their views would have been representative of the views of the farmers in the West.

Mr. Deans: You are not letting the farmers be heard?

* * *

NUCLEAR ARMAMENTS

REPORTED STATEMENT BY CANADIAN ADMIRAL

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is for the Secretary of State for External Affairs. Yesterday Admiral Falls, Chairman of NATO's military committee, said:

> If arms control talks do not work, then it might become necessary to act unilaterally to reduce, especially battlefield nuclear weapons, because we have more than we need ... If we did that, I think we would find that we could demonstrate to the Soviets that both sides could stop the proliferation of nuclear arms.

Although Admiral Falls is under the authority of NATO, his salary is paid by the Canadian Department of National Defence. Bearing this in mind, would the Minister tell the House if Admiral Falls' statement reflects Canadian Government policy?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I have not read the precise words uttered by Admiral Falls, but I do know that currently the requirements of the NATO defence forces are under review, and it may be that type of activity to which Admiral Falls is referring. There have been comments from time to time, as the Hon. Member knows, that arouse some debate upon the use of battlefield nuclear weapons. It is not surprising that Admiral Falls would refer to a subject of this kind and also to the possibility of reducing nuclear weapons. As the former Minister of National Defence well knows, at one time NATO did reduce its nuclear weapons in Europe by about 1,000.

Mr. McKinnon: Madam Speaker, the Secretary of State for External Affairs seems to have escaped the wording that it was a unilateral disarmament of which Admiral Falls was speaking.

REMOVAL OF UNITED STATES NUCLEAR WARHEADS FROM EUROPE

Hon. Allan B. McKinnon (Victoria): Madam Speaker, with respect to the 1,000 nuclear warheads which the United States removed from Europe, and bearing in mind that was done over a four-year period without any reciprocal motion at all by the Warsaw Pact countries, does the Secretary of State for External Affairs believe that there is any possibility that a continuation of this unilateral disarmament will have any other effect than it has so far?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member knows at present there is a negotiation under way at Geneva at which certainly the NATO Alliance, through the United States, is seeking a reduction in armaments. We are always working in the direction not of a unilateral disarmament but in the direction of balanced and verifiable disarmament at lower levels of armaments. That is the policy of NATO. That policy was recently restated at the meeting of NATO Foreign Ministers at which we, once again, restated the intention of the Alliance to undertake deployment of weapons in Europe unless there were concrete results in negotiations now taking place at Geneva. That is the policy of NATO which I repeat for the Hon. Member.

* * *

FREEDOM OF INFORMATION

MACBRIDE COMMISSION REPORT

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, my question is for the Secretary of State for External Affairs. He will know that UNESCO, through the United Nations, is promoting what is called the MacBride Commission Report, or the new International Information Order. What is the position of Canada in relation to that MacBride Commission Report?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I am familiar with the author and the nature of that report. The question of information dissemination has been under debate at the United Nations. There have been differences of opinion as to how that is best resolved. If the Hon. Member has some specific items with respect to what he describes as a New Information Order, I would be glad to get the details for him.

GOVERNMENT POLICY

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, the Minister will know that Mr. Séan MacBride about five years ago was awarded the Lenin Peace Prize. But, more important, the whole thrust of the report is to

restrict a flow of information from each of the countries and make that flow of information subject to the wishes of each particular government. Is it the position of Canada to support that kind of policy, or is the Canadian Government going to oppose it?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, the Hon. Member should be in no doubt about the over-all policy of the Government of Canada with respect to the flow of information and the flow of ideas and people. We are presently undertaking in concert with other countries, very important negotiations in Madrid at the Conference on Security and Co-Operation in Europe. One of the objectives of Canada and other western countries is to ensure a greater flow of ideas and a greater flow of information. We are taking a stand, for example, against eastern European states, particularly the Soviet Union on its practice of jamming radio broadcasts, which is one of the ways of stopping the flow of information.

* * *

● (1500)

PUBLIC SERVICE

DEPARTMENT OF FINANCE ADVISER

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, my question is directed to the Minister of Finance. It concerns job changes and salary changes. Is Mr. Jack Smith, special adviser to Micky Cohen in the Department of Finance, the same Jack Smith who was a special adviser in the Department of Energy, Mines and Resources?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I shall most certainly make enquiries and check on what the Hon. Member has just said.

[*English*]

ADVISER'S SALARY

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, when the Minister makes his inquiry—and I am sure he will check into it this afternoon—would he please find out what this man is doing in the Department of Finance and why he is receiving $92,000 plus?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): It will be a pleasure to check that as well, Madam Speaker.

[*English*]

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions, with the exception of one, which were presented by Hon. Members on Monday, June 20, 1983, meet the requirements of the Standing Orders as to form. One petition presented by the Hon. Member for Comox-Powell River (Mr. Skelly) does not meet the requirements.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF ONTARIO

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Glengarry-Prescott-Russell (Mr. Ethier), Stormont-Dundas (Mr. Lumley), Thunder Bay-Nipigon (Mr. Masters), London West (Mr. Burghardt), Renfrew-Nipissing-Pembroke (Mr. Hopkins), London East (Mr. Turner), York East (Mr. Collenette), Timmins-Chapleau (Mr. Chénier), Ottawa-Vanier (Mr. Gauthier) and Essex-Kent (Mr. Daudlin) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the Report of the Electoral Boundaries Commission for the Province of Ontario.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*.

Is that agreed?

Some Hon. Members: Agreed.

[*Translation*]

FILING OF OBJECTIONS TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that the objection signed by the Hon. Members for Rimouski-Témiscouata (Mrs. Côté), Roberval (Mrs. Beauchamp-Niquet), Brome-Missisquoi (Mr. Bachand), Richmond-Wolfe (Mr. Tardif), Bellechasse (Mr. Garant), Abitibi (Mr. Gingras), Manicouagan (Mr. Maltais), Bonaventure-Îles-de-la-Madeleine (Mr. Bujold), Saint-Michel-Ahuntsic (Mrs. Killens), Lotbinière (Mr. Dubois), Hull (Mr. Isabelle), Gaspé (Mr. Cyr) and Louis-Hébert (Mr. Dawson) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*.

Is that agreed?

Some Hon. Members: Agreed.

Madam Speaker: Agreed.

* * *

[*English*]

POINTS OF ORDER

MR. COLLENETTE—STATEMENT OF MR. STEWART PURSUANT TO S.O. 21

Mr. D. M. Collenette (York East): Madam Speaker, I rise on a point of order or a question of privilege; perhaps Your Honour could determine which it is. Earlier today in the deliberations under Standing Order 21, the Hon. Member for Simcoe South (Mr. Stewart) used the Royal Family in connection with a partisan statement which he was making. This certainly runs contrary to the rules, practices and traditions of the House.

While the Hon. Member has every right to make partisan statements, I submit he has no right to use the Royal Family to influence debate. I refer to Citation 316 of Beauchesne's Fifth Edition which reads:

> Besides the prohibitions contained in S.O. 35, it has been sanctioned by usage that a Member, while speaking, must not:—
>
> (g) use the Sovereign's name for the purpose of influencing a debate;

Also I refer to page 426 of Erskine May's Nineteenth Edition where the author goes somewhat further by indicating:

> The irregular use of the Queen's name to influence a decision of the House is unconstitutional in principle and inconsistent with the independence of Parliament. Where the Crown has a distinct interest in a measure, there is an authorized mode of communicating Her Majesty's recommendation or consent, through one of her Ministers . . . ; but Her Majesty cannot be supposed to have a private opinion, apart from that of her responsible advisers; and any attempt to use her name in debate to influence the judgment of Parliament would be immediately checked and censured . . . This rule extends also to other members of the Royal Family.

I am aware that there was a lot of noise in the House at that particular time, but I submit the Hon. Member created disorder or breached the privileges of the House by that usage, and the record will officially show this. I hope, Madam Speaker, you would ask the Hon. Member for Simcoe South for an apology because his statement was certainly an affront to the Royal Family and an affront to the House of Commons.

Some Hon. Members: Hear, hear!

Madam Speaker: The Hon. Member might have a point. I would want to look at the "blues". I am wondering whether the reporter was able to hear what the Hon. Member for Simcoe South (Mr. Stewart) was saying. It was absolutely impossible for the Chair to hear what he was saying. I will look at the "blues" and take the Hon. Member's point into consideration.

[*Translation*]

MR. GAUTHIER—INTENSITY OF LIGHTING IN CHAMBER

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Madam Speaker, on a point of order.

Madam Speaker: The Hon. Member for Ottawa-Vanier (Mr. Gauthier), on a point of order.

Mr. Gauthier: Madam Speaker, because of a power failure in downtown Ottawa, the lights in the House of Commons have dimmed considerably today. The drop in light intensity does not seem to have had a very negative impact on the telecasting of the proceedings. Hon. Members will probably have noticed that comfort levels in the House were better than usual, at least as far as the glare is concerned. Madam Speaker, I wonder whether you could check with the television network and find out whether the televised picture was acceptable, and if so, whether you could take steps to have conditions in the House corrected or improved to make our environment a more pleasant one to work in.

Madam Speaker: I must say to the Hon. Member that I do not have the impression that the usual telecasting was possible. In any case, the proceedings were not being televised live, because the cable companies were unable to function this afternoon. However, we do have a video tape of this afternoon's sitting, which will be broadcast this evening, and we will then be able to see what the picture quality is like. I do think the bright lights and the heat they produce are most uncomfortable and that is too much to ask Members to work daily under such conditions. I realize that the technicians want to give the television audience the kind of picture they expect from studio productions, but I am looking into the matter, and I have talked to an expert who is supposed to come tomorrow, I believe, and look at the lighting in the House, so he can advise us on how to get a decent picture that will be satisfactory to the television audience. I should add that this will affect the backbenchers, unfortunately, since it was necessary to increase the brightness of our lighting because the backbenchers are hidden by the galleries which cast a shadow on their faces, which is why we needed more lighting. If the backbenchers are prepared to make some concessions for the benefit of their colleagues, perhaps we will be able to improve comfort levels in the House. As I said before, these lights are very uncomfortable for people who have to work every day in the same room.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. HNATYSHYN—NHL FRANCHISE FOR SASKATCHEWAN

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I have the honour to present a petition containing approximately 5,000 signatures which were collected by the Spirit of Saskatchewan Committee at Diefenbaker Park, Saskatoon, on Sunday, June 19, 1983, during the "Day in the Park" celebration sponsored by Saskatoon radio station CKOM.

This petition calls upon Parliament to support an application for a Saskatchewan franchise in the National Hockey League.

Some Hon. Members: Hear, hear!

Madam Speaker: Order, please.

Mr. Hnatyshyn: How did that happen?

Madam Speaker: Would the Hon. Member please resume his seat. I could accept his saying that he was sorry for having broken the rule, because I definitely saw the Hon. Member push the petition so that it would roll across the floor.

• (1510)

MR. PENNER—CNR STAFF REDUCTIONS

Mr. Keith Penner (Cochrane-Superior): Madam Speaker, I have a petition to present to Parliament, signed by 120 residents of the Northern Ontario towns of Mattice, Hornepayne, Nakina, Geraldton, Hearst, Cochrane, Capreol and Hanmer. The Petition refers to the massive lay-offs in the Canadian National Railways system, thousands of jobs being lost due to operational, organizational and technological changes, so much so that essential services in isolated areas are being reduced or discontinued. The petitioners' request is simply that Parliament instruct the CN that any further staff reduction should be by natural attrition only.

MS. McDONALD—BROADCASTING REGULATIONS

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, I have a petition from constituents in the riding of Hillsborough in the Province of Prince Edward Island—

Madam Speaker: Order, please. We have had this discussion about Members rising in their place; the Standing Orders state definitely that they should be uncovered. I have to ask the Member for the time when she is reading her petition to remove her hat. The Speaker does not wear a hat in the House. I guess that is the signal to all other Members that they should not wear hats. I do not think the Hon. Member will be in discomfort because the lights are not very glaring; we have minimum lighting today. At any rate, for the few minutes it will take to read the petition, and I remind the Hon. Member it should not be long, I think the Hon. Member can manage without her hat.

Ms. McDonald: Madam Speaker, I would ask for unanimous consent to be able to—

Some Hon. Members: Order.

Some Hon. Members: No.

Madam Speaker: Order, please. Would the Hon. Member resume her seat. The rule states that, upon rising, an Hon. Member should be uncovered. I would ask the Hon. Member to remove her hat. This is a very simple rule. Thank you very much.

Ms. McDonald: Madam Speaker, we had a discussion about this last night. Two Members denied unanimous consent. One of them subsequently apologized and said there would be no such difficulty in the future. I have reason to believe that people will be reasonable at this point today and grant unanimous consent for such a—

Madam Speaker: Order. What is the Hon. Member's point? Is it to insist on wearing a hat in the House of Commons or is it that she needs to protect her eyes from the glare? There is no glare today. The lighting system has broken down. We are on our support system. There is minimum lighting in the House today, so I do not think the Hon. Member needs a hat.

Ms. McDonald: Madam Speaker, it may be all right for you—

Some Hon. Members: Order.

Ms. McDonald: —but even minimum lighting—

Some Hon. Members: Order.

Ms. McDonald: The Chair noted it is considerably more difficult—

Madam Speaker: Order. I know the Hon. Member is a relatively new Member, but she should read the rules. If she reads the rules carefully, she will know that it is not possible nor proper to talk back to the Speaker in this way. When the Speaker is asking for something that is included in the rules, the Speaker is only obeying the House in a sense because the rules are made by each and every individual Member. The Hon. Member for Broadview-Greenwood is a Member of this House. These are her rules, they are not mine. I am simply applying them.

Some Hon. Members: Hear, hear!

Ms. McDonald: The petition is from constituents in the riding of Hillsborough in Prince Edward Island. The Canadian Radio-Television and Telecommunications Commission television broadcasting regulations do not give women the same protection against abusive comments or pictorial representations as for racial and religious groups; that the Communications Minister has been willing to empower the CRTC to regulate broadcasting to ensure Canadian content—

Madam Speaker: Order. I am sorry, but I seem to have to call the Hon. Member for Broadview-Greenwood to order several times today. Yesterday I indicated to the Hon. Member that when presenting petitions, what is allowed is to read out the title of the petition, and that a Member should not read any argumentation that is made with regard to that petition. Therefore I would ask the Hon. Member to be very short, as I would ask any Hon. Member—

An Hon. Member: What about the other one?

Madam Speaker: It was very short. I would ask the Hon. Member, therefore, to be short and just give the House the title of the petition, which she has done already. Will she now proceed to the prayer?

Ms. McDonald: I was summarizing in view of your advice of yesterday. I was summarizing and was near the end of my summary of the petition.

Madam Speaker: Order, please. There is no such thing as summarizing. The title, the prayer; that's it.

Mr. Rossi: No wonder you are NDP; you are stubborn.

Ms. McDonald: Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to demonstrate its opposition to the denigration of women by enacting an Act to amend the Broadcasting Act, as introduced by myself on March 8, 1983. And as in duty bound your petitioners will ever pray.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATE

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have the honour and duty to present a petition this afternoon signed by farmers from the Macrorie area of Saskatchewan. The petition of the undersigned residents of the Province of Saskatchewan who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that the undersigned have carefully considered the alternative plan presented by the New Democratic Party; that the Crow rate must be maintained; and that the railways of all Canada must be upgraded and developed into a modern and efficient transport system.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to adopt the provisions of the New Democratic Party alternate plan which will not change the Crowsnest Pass freight rate. And as in duty bound your petitioners will ever pray.

MR. YOUNG—SAFE DRINKING WATER

Mr. Neil Young (Beaches): Madam Speaker, I too have a petition which it is my duty and pleasure to present to the House. The petitioners from a number of residences in the Province of Ontario who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that toxic chemicals are posing an increasing threat to the potable waters of this Province; that there is presently no legislation which will guarantee the safety and healthfulness of those waters; and that Canada's neighbour, the United States of America, has legislation entitled "The Safe Drinking Water Act, 1974".

Wherefore we, the undersigned, humbly pray and call upon Parliament to enact a safe drinking water act which will protect and enhance drinking water quality in all areas of Canada. It is signed by 66 Ontario residents.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

MOTION TO PROCEED TO ORDERS OF THE DAY

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I move, seconded by the Minister of National Defence (Mr. Lamontagne):

That this House now proceed to Orders of the Day.

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 yeas have it.

And more than five Members having risen:

Madam Speaker: Call in the Members.

And the division bells having been rung:

Some Hon. Members: Oh, oh!

Madam Speaker: Order, please. Order, please. From where I am, I cannot see what is written on the hats that are being worn by some Members of the New Democratic Party, but I would ask those Members to remove their hats. We spoke about hats earlier and I will not have a ruling made by the Speaker which was in perfect conformity with the rules of the House being mocked in this way.

Some Hon. Members: Hear, hear!

The House divided on the motion (Mr. Pinard), which was agreed to on the following division:

Business of the House

(Division No. 361)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
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
(LaSalle)
Campbell
(Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Irwin
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
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—138.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bradley
Broadbent
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Cook
Corbett
Cossitt (Mrs.)
Crouse
Dantzer
Deans
de Jong
Dick
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Friesen
Fulton
Gamble
Gass
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Heap
Hnatyshyn
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McKnight
McMillan
Miller
Mitchell (Mrs.)
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Sargeant
Schellenberger
Scott
(Victoria-Haliburton)
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Wright
Young—102.

Madam Speaker: The motion is carried.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Transport; and the motion of Mr. Lachance (p. 26521).

Mr. Jack Murta (Lisgar): Mr. Speaker, it gives me a great deal of pleasure to enter into debate on what may be the final stages of the second reading of a Bill which has proved very contentious and somewhat fractious, not only in western Canada but also in Parliament itself.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. The Hon. Member for Lisgar (Mr. Murta) has the floor.

Mr. Murta: Mr. Speaker, we have been debating this Bill now for some time. A good number of Hon. Members have spoken on it. They have spoken on it from a number of different points of view. The New Democratic Party keeps talking about the whole question of what it would do if only it could nationalize the CPR, which would make it somehow run better and more efficiently than the CNR, which is already nationalized. How that argument would ever work in a practical sense, of course, escapes the understanding of this House of Commons, as it escapes the understanding of most people in the country, which is reflected, of course, by the some 16 per cent or 17 per cent of the popular vote which the NDP now commands. Other people have criticized the legislation for various other reasons: farm groups for their own vested interest; the elevator companies for one reason or another.

However, it seems to me that this debate about equity. It is not about nationalization or any other aspect of what has

taken place over a number of years. The debate on the changes to the Crow rate is a debate, I submit, Mr. Speaker, about equity. It is about equity between regions in this country.

We have seen the kind of nervousness which developed when Quebec itself got into the discussion of the Crowsnest Pass freight rate. We have seen the kind of nervousness which was reflected by the very substantial change in policy on behalf of the Liberal Government in its outlook and its presentation of the Bill which we are now debating. The equity question came up, certainly, as it pertains to farmers in various parts of the country.

However, more importantly, the whole question of equity is most paramount when you look at the question of farm commodities, being grain vis-à-vis the livestock sector and also the special crops sector in this country. Therein, Mr. Speaker, at least in my opinion, lies the greatest weakness in this legislation—this whole question of equity. The Bill as proposed clearly does not give the kind of equity which we hoped we would see when we set out some months ago now on this very long process of changing and updating the transportation rate so that it would reflect more the realities of Canada.

We moved along through the process, the first stage of which was generally known as the Gilson process. It was generally recognized that while the Gilson Report had a lot of faults admittedly, it did have equity, or at least it tried to address the question of equity with respect to livestock. How do you treat livestock, which is such an important component of western Canada and western Canadian life? How do you treat livestock in a manner which is fair and equitable to the grain segment of our society? The Gilson process, in my opinion one which is shared by some other Members of my Party, at least tried to address that problem in a realistic manner. Unfortunately, Bill C-155 does not address that question and I can vote against the legislation on that basis alone.

There are other things that concern Members, of course, but the fact remains that the livestock industry and to some extent the secondary processing industry have been left out of this legislation. They must have a part in the development of western Canada and the fact that they have been left out is causing great concern. Many important voices, and I am talking about the leaders of the farming groups, have voiced this concern since the Bill was presented. At present there is a desperate move by prairie farm groups to try to find a way to include the livestock industry in this legislation.

The Conservative Party, Mr. Speaker, has come up with a proposal now termed as freedom of choice, which would allow the producer to determine whether the federal Government payments will be made to himself or to the railway. That is an equitable approach. But the Government certainly has not given us any indication as to whether or not that will be adopted. The central and important question is that unless there are some changes to this legislation the livestock industry in western Canada is in danger of extinction over the coming year. That is a fact of life. Over the last number of years, Mr. Speaker, there has been a noticeable shift of the livestock industry from western Canada to eastern Canada, along with, to a large extent, the packing industry. With the packing industry have gone jobs. Of course, we must keep in mind that it does not take too many people to raise and feed cattle for market, but it takes a lot of people to operate the industry as a whole. That shift of jobs out of western Canada will continue under this legislation. That is why the livestock industry is in the forefront of all the people who want a change, and it is also the reason why the livestock industry is so opposed to this particular piece of legislation.

This Bill does not promote equity. It does not recognize that the West has more to offer than just growing grain. It has livestock, special crops and the processing involved. All that will be lost if this Bill is allowed to pass in its present form. We in this Party have put forward what I consider to be probably one of the most innovative amendments I have seen in the House of Commons in a long time. It is the key to unlocking the door to equity in western Canada. It must go through. If it is not passed, certainly our Party must present it in the next election campaign and hopefully introduce it into legislation in 1984-85.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, while I am pleased to speak on this important issue, I wish I had half an hour to address my concerns over this legislation instead of just ten minutes. However, at the outset I do want to say that the Minister of Transport (Mr. Pepin) has been here during this debate, unlike the Minister of Agriculture (Mr. Whelan) who has spent virtually zero time here. It is not his Bill, but he ought to be concerned about it.

We are dealing today with a Bill of great importance not only to western Canada but to Canada as a whole. It is a myth to keep talking in this country about East and West, and we have to stop doing so. The fact of the matter is that when we talk about the enhancement of secondary industry in western Canada, that means a tremendous potential growth in eastern Canada. When a westerner buys a new refrigerator or another car or a new suit of clothes, generally speaking they are manufactured in central Canada. We should remember this.

For those people, Mr. Speaker, who doubt that there should be a Crow rate at all, I would point out that this country has a transportation policy based on the theory of competition. That theory works very well, Sir, in those parts of Canada where in fact you have competition. However, when you get into the landlocked regions of the country, there is no competition. The fact that we can ship iron and steel products from Toronto to Vancouver and back to Calgary cheaper than we can ship them directly to Calgary underscores why some form of special rate is needed on the Prairies. If we had in the Prairies a Port of Halifax or a Port of Vancouver, if we had a St. Lawrence River or a Great Lakes water system, then the debate in this House would not be about the Crow rate but about some other form of equitable freight rate without any kind of subsidy at all. What we are dealing with, as the Hon. Member for Lisgar (Mr. Murta) said, is the principle of equity in transportation throughout the country.

I want to address to the Minister now, Mr. Speaker, some concerns that we have concerning ability to pay. I have underlined the Minister's own words in some notes I have here concerning his desire for the enhancement of secondary industry on the Prairies and the fact that the Bill as presently written has precisely the opposite effect.

Mr. Pepin: It does not do the opposite; it does not do as much.

Mr. Malone: It is difficult to believe that a figure of 31 million tonnes can be in place in this Bill when in fact the world has a need for a far greater amount of food. Now when four-fifths of the world suffers from malnutrition it is the wrong time to put a cap on the incentive to grow grain. In addition, Mr. Speaker, we need to look at the question of freedom of choice. That would allow the user of the railway system to put the money in his wallet, and the only way for the railway to get that money is to provide the service. If the rancher or the farmer has the option, he will choose to use the railways if they are offering the service. If not, he will truck his product to the local feed lots flour mills, or he will use other methods of transportation. If these alternatives are not open to the railway, then what we would have is the NDP plan of a guaranteed income. While that may have some ring for many in the country, this would be a guaranteed income for CN and CP rail, an annual income guaranteed to the railway companies irrespective of what other modes of transportation are there for the competition.

• (1710)

Now that I believe I have the Minister's attention, I want to address my concern relating to the point of the 10 per cent safety net. He and I will disagree on the 10 per cent number. I would argue that it should be closer to 8 per cent. However, the other part which is very important, to set that question aside for the moment, is that whatever the percentage, it simply means that the railway companies would know in advance that they would then have the opportunity to enhance development up to 10 per cent, to add to the cost of their shipping every year by 10 per cent, knowing full well that the farmers would pay the 10 per cent. There would therefore be no market discipline on the railway companies.

I want to make a personal suggestion to the Minister, and I will check with my caucus later. Instead of having the farmers pay 8 per cent or 10 per cent before the Government pays everything, it should be changed to having 16 per cent paid, with the Government then picking up everything after that. However, on the first 16 per cent, the producers and the railways would share the cost fifty-fifty. If we simply left it so that the farmer paid all of the first 10 per cent, then it is obvious that the railway companies would automatically know year after year that they could add on 10 per cent because it would be charged through to the farmers.

I simply say that if that kind of system is put in place, it will be used. I submit to the Minister that he should give due consideration to a formula where the percentage is higher, but where there is cost sharing between the farmers and the railways of the country, because that would then bring about some market discipline. The railways would then have to give some consideration to bringing about efficiency on any extra costing.

The other reason that I believe we must consider the full question of the freedom of choice is that that is the only method by which we will ensure the enhancement of secondary industries on the Prairies. The Minister himself addressed that principle well on May 12, 1983. His turnabout, though, destroys the opportunity for the enhancement of industries on the Prairies by making it all paid to the railways.

The only way we can gain the advantage of Crow is if we export all the products. If we export all the raw products, then there is no manufacturing. We of prairie Canada know that that is not an acceptable resolution.

In 1976, 500 jobs were lost in Prince Albert, Saskatchewan, when Burns' meatpacking plant closed down. In 1978, another 120 jobs were lost when Canadian Dressed Meats in Medicine Hat closed down. In 1979, we lost another 700 jobs when Burns' in Edmonton closed down. In 1979, we lost another 550 jobs when Swift's, in Winnipeg, closed down. In 1974, we lost an additional 200 jobs when Burns' in Regina closed down.

Therefore, in conclusion, I simply want to say that we of prairie Canada never want to return to the 1930s, when our exports were raw products and sons and daughters. One of the great phenomena of the last few years in prairie Canada was the rash of homecomings. I personally experienced, as I went to these homecomings, seeing all those license plates from Ontario, British Columbia, California, Colorado and Oklahoma. These were homecomings of the people of three or four decades ago who lived in prairie Canada when our exports consisted of raw products as well as our sons and daughters. However, we needed to have these secondary industries. As the West develops and enhances, so does central Canada. We need to have a policy—

Mr. Deputy Speaker: Order.

Mr. Malone: —that will allow us the freedom of choice to use the kind of transportation that has existed and that will be good for all of Canada—

Mr. Deputy Speaker: 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

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Dartmouth-Halifax East (Mr. Forrestall)—

Canadian National Railways—Acquisition of Cast shipping group—Government approval. (b) Possibility of freight rate war on Atlantic shipping routes; The Hon. Member for Carleton-Charlotte (Mr. McCain)—Forestry—Request for extension of committee's terms of reference. (b) Request for early referral to committee; The Hon. Member for Winnipeg North (Mr. Orlikow)—National Revenue—Seizure of children's theatre company funds. (b) Effect on performing arts groups.

Mr. Forrestall: Mr. Speaker, given the fact that this morning the Standing Committee on Transport met in camera with the President of the Canadian National Railways, and we had an exposition of the matter lasting a good three and one half hours, and because of the uncertainty as to what might happen even later today or the next day or so, it might be appropriate for me to ask to be excused or to withdraw from this position on the Late Show.

Mr. Deputy Speaker: Is there agreement that the Hon. Member for Dartmouth-Halifax East shall withdraw the item which has been submitted for the adjournment debate?

Some Hon. Members: Agreed.

Agreed and so ordered.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport.

Mr. Mazankowski: Mr. Speaker, I rise on a point of order. It is customary in the House that the Speaker asks if there is unanimous consent for an Hon. Member to continue his remarks. I think that the Hon. Member was just completing his remarks at a very important point he was making, and I think that—

Mr. Deputy Speaker: The Hon. Member had exceeded his time. He had been given ample warning by the Chair. The Hon. Member had noted the Chair's warning and had continued his remarks. With all due respect to the Hon. Member, if he had observed the courtesy to the Chair, the Chair would have extended the same courtesy to him.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, as my colleague says, it is not a pleasure nor a particular privilege but, rather, a solemn duty once again to participate in the debate which centers around the so-called Crow controversy. There is hardly anything in my experience in Parliament, which is now that of close to 11 years, which has so aroused the sensitivities and emotions of so many Canadians and, indeed, on both sides of the issue.

The Liberal Government has done its homework on this particular issue. It has called in its so-called IOUs. It has sensitized the emotions and the attention of the lumber industry in western Canada, for instance, and the mining sector, telling them that unless they support the Government on these changes to the Crow, it will not be able to live up to the commitments that it has made in terms of the upgrading of our transportation infrastructure in western Canada. Indeed, the message was even more subtle. They are being told that if they do not get out of their closet and support the Government publicly on these matters, there may no longer be any co-operation from the federal Government in terms of grants and all of the other benefits which industry, particularly large industry, has become so accustomed to and comfortable with over the last decade.

Transportation in a country like ours, particularly rail transport, is a key element in determining our socioeconomic condition and the well being of our country. It is a very important element in bringing about an industrial strategy. I can understand the legitimate and serious concerns of other sectors of the economy, such as the wood converting industries and the mining industry because they, more than anyone else, have suffered very dramatically from a lack of productivity which has rendered our industrial strength in world markets rather vulnerable. It is not the fact that our workers are producing less but that we have paid too little attention to modernizing our plants and transportation infrastructure to get our products to market. We have lived through a period of deliberate neglect in these important areas. We have heard all kinds of promises and commitments of billions of dollars toward the upgrading of our rail transportation facilities in the West, but of course nothing has happened.

• (1720)

As I have said, transportation is and always will be the key element in any industrial strategy, particularly in a country which has a rich geography and where some of the key industrial areas are so far removed from the market.

It means more than that to farmers in the agricultural sectors. Rail subsidies that were designed to help farmers maintain a stable farm economy in our area have an important social content to them. Indeed, the rail subsidies that were placed to help western farmers are designed to meet some of these important social objectives both domestically and internationally. These reflect our official public policy to maintain a cheap food price policy. That is the important social component for which the Crow rate was in place and for which some of these rail subsidies have been made, besides providing an incentive for farmers to go west to begin to develop the Prairies.

If farmers were permitted to charge prices for what they produce that were comparable with other industrial commodities such as lumber and minerals that we sell abroad, food

prices in this country would have to at least triple. There is no question that if a farmer were permitted to receive a decent return on his investment and labour, food prices would have to triple. No one would be under any illusion as to what this would mean to our social and economic wellbeing in Canada. Obviously we could not pay the bill and it would be necessary to devise other means to subsidize those who would have to buy this expensive food.

Unfortunately, we are also exporting our cheap food policy. We are selling our agricultural products, particularly those for which the Crow rate is most important, our grain and cereal crops, to other countries at far below any reasonable cost of production. For instance, we are selling our wheat to the European Economic Community for almost 50 per cent less than what it is resold for within the EEC. In turn, the money that is earned by this exchange is used to subsidize European farmers, who have developed their own capacity to the point where they are now competing with us for our share in the world market. This is all as a result of the Government's decision to export our cheap food policy.

The farmer is charged with certain social obligations to feed the Third World. This is evident from the discussions about the food bank. If we were to sell lumber under a similar policy to that under which grain is sold, very soon the country to which we would be selling this lumber below the cost of production would run to GATT and remind us of some of the other treaty obligations we have under the OECD arrangement. We would be reminded that we cannot sell below the cost of production and subsidize the production of important industrial commodities. However, when you sell food, you can give it away to anyone you wish and no one complains. The reason for that is that other countries have not been as innovative as we have in finding ways to stabilize the farm economy and farm industry. It does not make sense.

Crow benefits were designed to support farmers. Instead, the subsidies that are inherent in the statute Crow rate are not going to the farmers or the railways. The subsidies are going to our customers. It is the Europeans, the Japanese and everyone else to whom we sell our grain that we are subsidizing.

I am a businessman in another sector although I still have my farm back home. As a businessman, I find it totally incomprehensible that we should sell far below the cost of production. In his cost of production I take into consideration a reasonable return on the farmers' investment and labour and the cost of transportation to bring the product to market. That is all part of the cost of production. I do not understand the logic behind selling this most important of our industrial commodities not only to the Third World countries that cannot afford to pay a higher price for them but to our partners in the OECD industrial world. Furthermore, we are selling our grain for half its worth to the Soviet Union so it can turn around and resell it within the East Block sphere of influence and use the credits we have given it as a gift to build up its strategic capacity. These are some matters which the Government has totally ignored and which need to be considered before we can go about changing the Crow rate.

Mr. Malone: Mr. Speaker, I rise on a point of order. I want to return to the point when the Hon. Member for Vegreville (Mr. Mazankowski) asked that I be given extended time. You said that it had already been signalled. What I am noticing is that it really is difficult for Members to know what the signal is. I am cognizant of the fact that often that signal is given at the eight minute mark. As a result of this practice, some of our new Members end up being cut short.

Mr. Deputy Speaker: With all due respect to the Hon. Member, he is not making a point of order. If he wishes to have a private conversation with the Chair, the Chair would be more than pleased to discuss it with him.

However, the Hon. Member did go beyond his ten minutes. The Chair did its very best to communicate that fact to the Hon. Member. The Hon. Member just kept on speaking. The Chair rose and said that the Hon. Member's time expired, and the Hon. Member kept speaking. The Chair did its very best to interrupt.

There is a normal courtesy that is expected from Hon. Members with regard to the Chair. The Chair assures Hon. Members that it is a pleasure to reciprocate, but it must be a two-way street.

Mr. Mazankowski: Mr. Speaker, I rise on a point of order. The normal courtesy is that the Speaker ask the House for unanimous consent for the Member to continue his remarks.

Mr. Deputy Speaker: The Speaker rose to his feet and said that the Hon. Member's time had expired, and the Hon. Member kept speaking. The Hon. Member did not yield to the Speaker but stayed on his feet. I would suggest to Hon. Members that that is not the way in which they should choose to conduct themselves in the House.

Mr. Malone: First, Mr. Speaker, I would not in any way ever ignore you. I just never noticed you since I was speaking to the Minister. That is where I was addressing my comments.

I am not asking to speak now but simply saying, on another point of order, that I think it is very important that we in the House have some idea as to what gripping your chair and leaning forward means when that happens at the eight minute mark. We do not know when we are supposed to sit down. That time is not the same for each speaker.

Mr. Deputy Speaker: With all due respect, the Chair does not do that. The present incumbent has never done that at the eight minute mark. The suggestion that that is what the Chair practices is not fair.

I suggest that if the Hon. Member wishes to have a conversation privately, the preent occupant of the chair would be pleased to do so. In the meantime, the Chair requests Hon. Members of the House to co-operate. Is the House ready for the question?

• (1730)

The Hon. Member for Winnipeg St.-James.

[*Translation*]

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, the House is not ready for the question. I would like to contribute a few comments to this debate, and I shall try to do so in French, because there are people in Western Canada who speak French, and they should also be able to listen to these proceedings in their own language.

The point or points I would like to raise here are as follows: Why is this debate so important and why does our Party want to continue this debate on the Crow rate? Mr. Speaker, the question before the House is the following: Who is going to pay for the changes the Government wants to introduce in the House? There are only two groups that can pay for these changes. First, the CPR, the railways, and second, the farmers, since these changes must be paid for by someone. The question is who?

We get the impression on this side of the House that the Government wants western farmers to pay for the changes it is proposing. Is that fair, Mr. Speaker?

Both the CPR and the farmers have received subsidies from the people of Canada and the Government. Subsidies to the CPR will continue. There is no proposal before the House to take away from the CPR the subsidies it has received to build railroads in this country. But why is the Government proposing to take subsidies away from farmers? Mr. Speaker, I do not understand why the Government wants to make farmers pay more for grain transport in this country when it is seeing the results of these changes and wants to give more money to the CPR. Why, Mr. Speaker?

I have the impression that the Government is listening to the CPR bosses, to the detriment of our farmers.

We want to continue the debate in the House because we want to convince the Government it should listen to western farmers. The Government must realize that this legislation is going to cost farmers a lot. For instance, some farmers in the West have very modest incomes, as low as $9,000 or $12,000. They cannot afford a drastic increase in the cost of grain transport.

The Government wants to convince Canadians that the Crow rate has to be changed in order to upgrade the railroads.

Mr. Speaker, that is not a good reason and it is not the truth. If there is a good reason to invest in the railroads, those investments will pay for themselves. That is what investments are supposed to do, Mr. Speaker. An investment will pay for itself, and changing the Crow rate is just an excuse for the Government. The Government wants to convince Canadians that it has to change the Crow rate in order to have investments in the railroads. That is unnecessary, Mr. Speaker, because in this country, we need a better transportation system, and those investments are necessary, regardless of any changes in the Crow rate.

Mr. Speaker, there are other means of transportation, where people may be paying a certain price in one area and another price in another area. For instance, in our big cities, we have a public transit system, we have buses, and while it costs more to carry a passenger who has a long way to go, everyone using public transit pays the same rate, regardless of the distance covered. We can reason that it costs less to run a bus over a short distance than over a long distance, but we are still charging all passengers using urban public transit the same price.

Mr. Speaker, I think we can have one rate for grain transport and another rate for other products. We have to subsidize farmers in our country because farmers in other countries are subsidized, and if ours are going to compete with farmers in other countries, they need those subsidies. In those countries . . . Here, subsidies have traditionally been for transport costs because our grain growers are located at a great distance from their markets.

Mr. Speaker, we in this Party believe that it is possible to maintain subsidies to farmers while at the same time increasing investment in the railroads. We must do both, and it is not fair to tell Canadians that we have to change the Crow rate to get any investment in the railroads.

Mr. Speaker, the Government has swallowed the reasons given by the CPR. The CPR wants us to change the Crow rate at a time when it is important to our farmers that the rate stays where it is today.

• (1740)

[*English*]

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I rise to speak on an issue which is most important to my constituents and to myself as a farmer. I have spent a good deal of my life trying to raise grain, and have experienced some of the difficulties of farming, as well as being a Member of Parliament for almost 11 years. Time and time again I experience the difficulty in the House that every time we have been faced with an important issue to western Canada in the last couple of years we have been speaking under one form of closure or another. Therefore, it has been very difficult to express in a proper manner the issues which are important to those of us from western Canada who are affected not only personally but whose constituents are affected as well. Neither the Minister nor Liberal Members of Parliament are here to listen to debate under a closure motion. The Hon. Member for Crowfoot (Mr. Malone) mentioned that the Minister of Transport (Mr. Pepin) has spent some time listening to this debate, but basically we have to speak to all those Members because the Bill has been changed many times from its inception until it was presented in the House.

If they had to face farmers in Wetaskiwin at a Crow rate meeting, they would realize that their frustrations are abundantly clear. They are not certain what the Government is proposing and they are not certain about their future. At this time they are facing very difficult cost problems versus the

price they receive for their product. When they look at what is before the House, they find that they may be faced with substantial added-on transportation costs in the near future. It does no good for grain experts to say that the price of grain will increase to $10 tor $12 per bushel in the next five years. That is not satisfactory, because such statistics have been quoted to farmers in the past and, as we know, the price of grain today is less than it was in the 1970s and inflation has continued at a rapid pace during that time.

In the past, western farmers knew for certain that the cost of transportation for export grain would not change. All their other costs have increased, some slowly and some very rapidly. Time and time again they were faced with interferences. Clearly it is to the advantage of farmers to know one very critical cost, the cost of transportation. It has to take a reasonably predictable form. We do not see that in the Bill before us today. That is why Member after Member has risen to address the problem.

Actually there are a number of problems, such as variable rates, who pays the inflation factor, whether or not some grains are included, the 31 million tonne cap and the 10 per cent safety net which may not allow farmers in western Canada to produce barley or oats because the cost of transportation in five years will be so significant that if the price does not double they will not be able to produce those commodities.

Those questions should be answered. This is why farmers are asking us to participate in the debate and to deal with the problems before the Bill passes quickly into the other stages and suddenly becomes law. As Members of Parliament we must address the very questions which our constituents are asking. They do not understand the niceties of this place as we do. For years farmers have depended upon the hills and valleys of agricultural production. Some years are good ones—nature has been good, prices are good and reasonable profits result. In other years, as was the case in the last number of years, in most instances farmers have not even received their cost of production. If we allow the railways to set the price at which to move grain in April of each year, we may find that they will take advantage of the very fact that things are going well. We may find that the costs are up, but if things are not going well, perhaps the price will remain the same.

The point I am trying to make is the same as the one many farmers in western Canada are trying to make. We do not know enough about the costs of the railways which they attribute to the transportation of grain. We do not know whether or not they are correct.

I would like to return to the MacPherson Royal Commission of some time ago. At that time this problem was being addressed and the commissioners caused three studies to be made. One was done by the railroads, which showed that they were losing money moving grain. I believe that was back in the late 1950s or early 1960s; I am not sure of the date. Then another study was conducted by farm groups in western Canada who hired experts. That study showed that the railroads were making a profit moving grain. Then the Government commissioned a report, which report showed that the railroads were breaking even on the movement of grain. There we have it, the whole gamut of what railways were being charged or were charging for moving grain. The Royal Commission was unsure whether they were making a profit. This caused the Commission a great deal of difficulty when it ruled on that area.

Recently we had the Hall Commission. It concerned rail line abandonment. Justice Emmett Hall made some recommendations with regard to the Crow. As well, he recommended that the lines on which the railways indicated that they were not making money should be turned over to the prairie rail authority and be operated by groups in western Canada until it could be shown that they were making a profit.

Mr. Mazankowski: They recommended off-line elevators too.

Mr. Schellenberger: Yes, that is correct. I know that my tractor put on the rails could pull 15 or 20 cars down the line nicely and it would not be at a very high cost. Options are available in western Canada. This is not necessarily the only one. That recommendation came some seven or eight years ago. Mr. Justice Hall recommended keeping the Crow and paying livestock farmers the distortions involved. I believe if we talked to him today about that recommendation he would say that there was no way to anticipate the inflationary costs of the 1970s, and I am not so sure he would make the same recommendation.

Now I would like to turn to the Snavely Commission. Supposedly Mr. Snavely conducted an impartial study. I would like to quote some of his comments during a recent interview. He stated:

> I argue that you could give them less but they wouldn't have responded in the same way.

He was referring to the railways. He continued:

> They would have been back at the public trough to get money to do what they had to do in the West.

Then he referred to the numbers in the Bill by saying:

> These numbers are sufficient that the railways have no justification for coming back.

We are talking about public funds. We are talking about what the railways should and should not have. When we look in the Bill to see what guarantees the railways are giving to ensure that money from the investments will be put into transportation in the West, we have difficulty supporting the Bill. In committee the railways must give us some justification as to why the subsidy of $600 million is correct. I do not want to get into another argument with you, Mr. Speaker. I see my time is up in any event.

• (1750)

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I wish to make a few comments on Bill C-155, an Act to revise the Crowsnest statutory freight rates for prairie grains. Some question may arise as to why I would presume to speak on a Bill such as this. However, I have a very keen interest in what

is taking place. I was born in the Province of Saskatchewan; I will not say how many years ago. My folks were some of the first homesteaders who moved in about 100 miles north of Regina. I missed by not too long being born in a sod shack. We lived there for a number of years and I learned what it is like to be raised on a farm.

My father was a great supporter of the United Grain Growers. I just learned recently that he served as secretary for a number of years. Therefore, I have some personal interest in what is taking place in the Prairie Provinces.

A little later in my life I had the privilege of walking a great many miles behind the harrow, driving a four-horse team and sitting on a gang plough, as well as taking part in the harvest operation. That was quite a long time ago. However, I believe farming is a very interesting, worth-while and satisfying activity.

It has been pointed out that while this Bill has a special application to western Canada, with its major changes in transportation policy it is of national concern and has national ramifications. The history of the Crow rate has been placed on the record by many Members speaking in the debate, so I am not going to yield to the temptation to restate it. The main point is that we have before us today proposals that adversely and substantially affect the whole economy of the western farm community. The proposals and provisions of this Bill undermine the economy and the social viability not only of the Prairie Provinces, but of the whole nation. Speaking on Friday May 13, as reported at page 25447 of *Hansard*, the Minister of Consumer and Corporate Affairs (Mr. Ouellet) stated:

> In fact, this is the third major piece of legislation that has come before this Parliament, after the patriation of the Constitution and our national energy policy which was announced over the last few years and months.

This is supposed to be one of the great landmarks in this session. With regard to the Constitution Bill, when it was introduced there was a great deal of debate. Only after being radically changed did it go through and become the law of the country. I must say that it still leaves much to be desired and the consequences of that measure have yet to be understood.

The second disaster was the National Energy Program. I can say without fear of contradiction, at least in some areas, that it was a colossal disaster. The effects were felt right across the country. Oil rigs pulled out of the nation, thousands and thousands of jobs were lost, the whole economy was shaken and we still suffer the consequences of that program. The two major Bills which preceded this one do not give us too much to brag about. This Bill is another in a series of measures brought before the House by the Government which leave much to be desired.

There are several principles which the Progressive Conservative Party insists are necessary and important in the consideration of this measure. One is that grain producers must have a statutory freight rate which preserves the benefits of the Crow and must be protected from open-ended escalation. This Bill does not achieve that objective. Under the terms of this Bill, producers will be paying double the existing Crow rate by 1985-1986 and an additional $160 million will be taken out of the Prairie economy. They will pay five and one half times by 1991-92, which means that more than an additional $1 billion will disappear from western Canada. That is a very serious effect which this measure will have upon the Prairie economy.

Another principle is that producers should be guaranteed an efficient, cost-effective and reliable transportation system. With this Bill, there will be no railway performance guarantee for the first three years. Furthermore, under Clause 18, the grain transportation administrator has the power "to the extent that he considers it advisable to cease any activities" related to performance objective guarantees unless otherwise directed by the Minister.

I want to mention one more principle which must be recognized. The Government of Canada and the railways have a continuing obligation to provide a special low rate to assist producers competing with subsidized grain-export nations. It was put on the record today that subsidies in other countries are substantial. In the United States, subsidies account for about 33 per cent, 50 per cent in Australia, and other nations have various methods of subsidizing their product. In view of that, we must be competitive in international markets. Therefore, it is not only desirable but essential that the farming community have some guarantee and some assistance to meet the competition they face from countries with Government subsidy programs.

We propose that the railways should receive adequate and fair compensation for the movement of grain to provide the necessary capital and maintenance of plant and equipment. There is a false assumption or idea being sent abroad that unless the railways get a substantial contribution or subsidy, they will not be able to bring their rolling stock and trackage up to date, and, therefore, they will be placed at a disadvantage. I am sure, Mr. Speaker, that there are other ways for the Government to ensure that the railways are taken care of without taking the money from the prairie grain farmers.

• (1800)

Mrs. Margaret Mitchell (Vancouver East): Mr. Speaker, the NDP has asked to have Bill C-155 divided because, as we have said many times, it includes three separate issues which should be treated as being separate and unrelated programs of Government policy. These three issues are first, the grain freight rate; second, the upgrading of the transportation system; and third, the Dominion coal lands which we believe should be turned over to the Province of British Columbia. We have also advocated a much more sound use of the $930 million item budgeted by the Government which we agree should be used to preserve and create jobs and to improve transportation systems, provided the Crow rate agreement is kept intact.

Let me deal first with the grain freight rate. The inseparable price of Canadian confederation is tariffs for the industries of central Canada and low cost transportation for Atlantic and western Canada. These, Mr. Speaker, as you well know, are the facts of Canadian history and geography which tie us

together as a nation from west to east while recognizing the vastness of our country and the varying regional needs.

On June 16, I spoke in the House about the reasons why the Crowsnest freight rates must be maintained and I do not want to repeat myself in detail. We must keep the Crow to maintain the promise of Confederation and also to alleviate current costs of grain transportation to western farmers. Transportation costs should be shared by all Canadians just as costs of transportation and other systems are shared. Railways were more than fairly compensated for the Crow rate. The CPR has grown rich on land, mineral and forest rights given to it as part of the original agreement. However, we in this Party have said that if the railways can show definite proven losses on grain shipment, the taxpayers should assist with costs up to $380 million. But there must be no more giveaways.

On June 16, I referred also to the penalties which would occur in British Columbia if grain rates were increased by the Liberals and as advocated by the Tories. It would mean a 30 per cent cut in income for British Columbia farmers by the year 1992. That is something which many British Columbians do not realize. Also, Mr. Speaker, it would inevitably result in a diversion of grain through the United States on the new rails that the CP and CN are upgrading already. This of course would mean a loss of jobs, particularly for the shipping industry in British Columbia and for grain workers, longshoremen and many other tradespeople. It would also have an impact on British Columbia consumers who would have to pay five cents more for a loaf of bread.

Today, Mr. Speaker, I discovered by reading a book called "To Kill the Crow" by John Gallagher that the loss of income to British Columbians would be $3,553,000 according to Mr. Gallagher. British Columbians would suffer dramatically as would those on the Prairies and all Canadians.

The second issue that we felt should be dealt with quite separately is the whole question of the upgrading of rail transportation and the transportation system generally for the shipment of grain and coal and other products. This should be dealt with entirely separate from the Crow rate, Mr. Speaker. We have long advocated that improvements and modernization of the transportation systems are long overdue.

Some people have argued that we are against creating jobs and against transportation improvements. Those arguments are completely mythical, Mr. Speaker. We are strongly in favour of improvements. There must be improvement of rails and tunnels, and of course we would like to see a re-establishment of a modern boxcar manufacturing facility, particularly in British Columbia. The Modern Squamish Rail Car plant which employed over 300 people was done away with by the Social Credit and Liberal governments at a time when it was most needed. Of course, we would also see improved shipping facilities as an adjunct to this.

But we insist, Mr. Speaker, that no taxpayers' money be invested in the railway companies unless the people of Canada have equity in exchange. There must be no more giveaways to the Canadian Pacific Railway which has a history of exploiting them in order to escalate their own profits. As you know, Mr. Speaker, we have advocated an investment of $550 million to improve rail transportation and to create jobs.

The third issue is the releasing of Dominion Government coal lands and is another issue which I do not believe the people of British Columbia are fully aware of. Back in the 1880s, the people of British Columbia gave the CPR a large coal deposit which was put in reserve with the federal Government. The plan of the Minister of Transport (Mr. Pepin) will remove the price ceiling on this coal but it does not indicate who will own and benefit from the $450 million reserve. This resource belongs to the people of British Columbia and the federal Government should return it to provincial control. There has been no accountability by the Government on this question in debating this Bill.

I would like to refer again to the recently published book, "To Kill the Crow", by John Gallagher. The whole book is very relevant to this debate, and there are several excerpts which I believe are particularly relevant. I would first like to read a quote from Mr. Justice Emmett Hall:

> If once tampering with the statutory rate is accepted or condoned or is an item on the bargaining table, all will be lost. For once the subject is on the bargaining table, it will be only a matter of time until it is lost step by step. There is no position to take except to adhere through thick and thin that the Crow Rate is not bargainable.

This has been the position taken by this Party, the only Party to say that we must maintain the Crow through thick and thin. As was written on the hats we wore this afternoon, "Maintain the Crow, Pepin must go."

Well, what positions have the other Parties taken on this issue, Mr. Speaker? We know the position taken by the Liberals. As Mr. Gallagher said, "the activities and positions of the federal Liberals are well known". He presents considerable documentation to prove the giveaways that are involved, both the denial of promises to western farmers as well as the giveaways to the railways. Incidentally, I learned that stockholders of the CPR were richer by over $134 million the day the federal Government's determination to repudiate the Crowsnest Pass Agreement was announced.

What about Members of the Progressive Conservative Party? Where do they stand aside from their attack on the NDP which occurred today? They obviously attacked us because we are their key opposition and because they know that we are the only ones who have been continuously in support of the Crow rate and of transportation improvements. Half of the Members of the Conservative Party are for a modified version of the Crow rate because they happen to live in the West. Certainly they are not for it in the same way that we have been for it. Half of the Members are against it. I would like to know where this leaves western farmers, Mr. Speaker.

What about the eastern millionaire who is the new leader of the Progressive Conservative Party? We know that he has joined that other Quebec millionaire and that they take the same position on this Bill.

An Hon. Member: What is wrong with being successful?

Mrs. Mitchell: How will they know what the people of western Canada want, Mr. Speaker?

Some Hon. Members: Oh, oh!

Mrs. Mitchell: I can see by the reaction, Mr. Speaker, that we have again hit a Tory nerve. I will leave it to one of my colleagues to continue references from Mr. Gallagher's book—

Mr. Malone: That is a good idea.

• (1810)

Mr. Deputy Speaker: I regret to interrupt the Hon. Member but her time has expired.

Mr. Friesen: On a point of order, Mr. Speaker, has the Hon. Member overlooked the millionaire Member for Broadview-Greenwood (Ms. McDonald)?

Mrs. Mitchell: Yes, I guess I have.

Mr. Deputy Speaker: That is not a point of order. Is the House ready for the question? The Hon. Member for Beaches (Mr. Young).

Mr. Neil Young (Beaches): Mr. Speaker, I rise again to speak on a Bill which is commonly referred to as the Bill to amend the Crowsnest Pass freight rates. I will come to the Tory hecklers in a moment, Mr. Speaker. The question which is being debated today is actually a motion to close debate on this particular measure before the House. The reason given by the Hon. Member for Rosemont (Mr. Lachance) who moved the motion yesterday, which is recorded at page 26521 of *Hansard,* is quite clear. The reason he gave the House for moving such a motion was that he felt there had been sufficient debate on this particular Bill. He suggested that the Opposition, particularly the New Democratic Party, was being obstructionist in terms of dealing with this particular piece of legislation.

Mr. Smith: Right.

Mr. Young: I hear my good friend, the Hon. Member for Don Valley East (Mr. Smith) saying, "right". He is quite wrong, Mr. Speaker; dead wrong. What the New Democratic Members of Parliament were simply doing was exercising their responsibility toward Canadians and their constituents. They felt they had the right to present a grievance to Parliament through petitions. It was in fact the motions placed by the Government House Leader on at least four occasions which led to delays in terms of the debate which was being conducted in this House. These were not motions which were moved by Hon. Members of either the New Democratic Party or the Conservative Party.

The Table Research Branch, under the authority of the Clerk of the House of Commons, recently circulated a procedural paper entitled, "The Previous Question", which deals quite effectively, I believe, with what the Hon. Member for Rosemont did yesterday. In discussing The Previous Question under Standing Orders, the paper had this to say:

> The Previous Question is a debatable superseding motion which must be given the right of way when proposed during a debate. The wording of the Previous Question motion as set out in Standing Order 56 (1) is: "That this question be now put". Essentially, the Previous Question has two functions:
>
> (a) it is designed to limit debate since, until it is decided, it precludes all amendment to the main question—

Therefore, for Hon. Members on the Government side to even suggest that they were not trying to close off debate is laughable, to say the least, Mr. Speaker.

I would like to deal now with, at least my perception of what the Government is trying to do. That is, in essence, to hand Canadian Pacific Railway just another boodle of money, when it talks about changing the Crowsnest Pass freight rates. Because when one takes a look at the kind of boondoggle which Governments over the years have given to CPR, it rather boggles the mind. This is a company which has been living at the public trough since 1881.

If one takes a look at the subsidies and tax writeoffs this company has received over those years, one perhaps has a better understanding of this Government's relationship with CPR. In 1982 dollars, over the years, the CPR has been given billions of dollars of taxpayers' money in subsidies. When one looks at the number of companies which operate under Canadian Pacific investments, one sees that the list grows longer and greater and is something about which anyone in this House, and certainly Canadian taxpayers, must be rather concerned. The present value of Canadian Pacific, for example, is in the area of something like $2.9 billion. In 1981 alone, Canadian Pacific Limited owed something like $1.65 billion in deferred income tax, and that is according to its annual report. If that is adjusted to 1982 dollars, the present value of the deferred taxes alone which it owes the Canadian Government and the Canadian taxpayer is in the area of $1.83 billion.

Why all the haste? I came across some figures released by the Chief Electoral Officer of Canada which list the amount of political contributions, for example, given by Canadian Pacific companies to both the Conservative Party and the Liberal Party between 1978 and 1980. For example, the total 1978-80 political contribution to the Conservative Party was $190,257. The Liberals did slightly better than the Conservatives because in 1979 the Liberal Party received something like $198,476 from Canadian Pacific companies. In 1980 Algoma Steel gave the Conservative Party $5,000, and to be equitable it gave the Liberal Party $5,000 in the same year. In 1978 International Paper gave the Conservative Party $15,000. For some reason it took umbrage at the Tories and did not give them anything in 1979 and 1980, whereas in 1978 it gave the Liberal Party $15,123 and in 1979 they upped that to $25,572. In 1980 it decided neither of the two Parties were worth any more money and it gave them nothing.

Mr. Smith: Shocking.

Mr. Young: It was. I totally agree with the Hon. Member. Canadian Pacific, for example, in 1980 gave the Tories $35,000 and, again, it treated the Liberals, its buddies, to the same amount of money, $35,000. Cominco in 1979 and 1980

respectively gave the Conservative Party $5,000, and in the same years it gave the Liberals the same amount.

Mr. Malone: And the NDP received nothing.

Mr. Young: The NDP would not accept any money from them.

Mr. Malone: That's right, and it would not get any, either.

Mr. Young: Our Party believes that he who pays the piper calls the tune. We are not interested in that kind of money. We would rather take it from ordinary Canadians. Whether it be $5, $10 nickels or dimes, we appreciate it all, because Canadians understand we are a democratic Party which owes nothing to any vested interest in this country. Fording Coal Limited of Calgary is only a cheap bunch. It only gave the Conservative Party $415 in 1980 and gave the Liberals nothing.

An Hon. Member: What was that name again?

Mr. Young: Fording Coal Limited. Write it a letter. I am sure it will take all due dunning letters into account. Maple Leaf Mills, for example, gave the Conservative Party in 1978, $4,150; in 1979, $4,200; in 1980, $3,000. The Liberal Party in those three years only received $3,000 a year from that company, Mr. Speaker. The Conservatives must have done something between 1978 and 1979 because their contribution jumped from $397 to $5,553 and the Liberals received substantially more than that. I see my time has run out, Mr. Speaker. I hope this has been edifying for both sides.

• (1820)

Mr. Ron Stewart (Simcoe South): Mr. Speaker, as a Member of Parliament from central Ontario, not a westerner, it is not a pleasure to rise in my place a second time to categorically oppose Bill C-155. Why should an Ontario Member be so concerned about this Bill? I am concerned because it is fundamental to the success of all Canada that we have the best, the fairest and most economic national transportation system if this nation is to survive.

Mr. Smith: Who wrote that speech?

Mr. Stewart: The Hon. Member asks me who wrote this. I do not need anyone to write my speeches, Mr. Speaker.

The last time I spoke the Minister of Transport (Mr. Pepin) had announced the Crow changes some five times outside this House. He once again showed the complete disdain Government Ministers have for this House, following their leader's example. Since then there has been an amendment calling for a six month hoist of the Bill which made good sense to us on this side of the House as this legislation is every bit as important as the Constitution, or the language rights in the Province of Quebec.

Subsequently, the Hon. Member for Rosemont (Mr. Lachance), a new closure artist, muzzled, hoodwinked and garrotted debate on this Bill, because under Standing Order 56, as soon as this part of the debate ends the question is put and the whole debate ends. We have a new Government bully on the block, Mr. Speaker. A new closure kid with all guns blazing to limit debate on something as extremely important as our national transportation system. Closure has now been perpetrated some 20 odd times in this session. The people of Canada do not trust this Government and is there really any wonder why? They have every good reason not to.

We have seen the demise of so much of our rail passenger service in Ontario that it is pitiful. In my riding we lost a commuter train from Barrie to Toronto. Just imagine; Barrie is 50 miles from Toronto, a market of 2.5 million people, and that train was cancelled. The Minister has real foresight. Given the markets that are available and the extension of the triangle and what does he do? He cancels the commuter train. Now he wants to destroy the Crow and alienate the West.

Of course the question immediately comes forth: why does he want to do this? I suggest it is because of pressure from his Prime Minister (Mr. Trudeau) and Quebec Caucus who feel that if the grain subsidy goes to western farmers it will hurt the hog feeding operations in Quebec. That is balderdash. But once again, 74 Members of one Province are acting as the tail wagging the dog of Canada.

These people, Mr. Speaker, the NDP and Liberal-socialist coalition, would sooner take from the free enterprise small-businessman, the grain producer, and subsidize the railroad. That is what the Hon. Member from Regina stated last night. This Bill negates freedom of choice, which we on this side believe in, whether it be in grain transportation, metrication or linguistics. It means the freedom to grow the most profitable crops with a fair transportation system to markets. Everyone knows that if this is to come about a subsidy must be paid. The only argument is over the method, and again it should be freedom of choice.

I ask the House to reflect on Mirabel, which loses $1 million per week, not to mention the capital cost. There are subsidies for the subways, the highways, the airports and the hospitals so, of course, why not transportation?

If the subsidy, all $651 million of it, is paid to the railroads it will effectively lock out new investment in the West, totally discourage processing in western Canada and the diversification the West so badly needs. Farm income of some $3.5 billion will be reduced by one third. The farmer will have less income so the industrial heartland of Canada, where I come from, will suffer very deleterious effects.

No one denies that the railroads need more money. The Gilson report recognized that fact and it was quite acceptable to the West. But surely the farmer counts too. Ten years ago the farmer received $4.57 a bushel for his grain and today he receives $4.63 per bushel. This does not take into account the inflation factor, so who needs help at the time of the worst recession since the great depression?

The farmer must compete with subsidized grain from other countries. In essence these are the countries which obtain the subsidy, not the farmer. It has been estimated that British Columbia would lose 30 per cent of its income in about five

years, and that feed grain prices would rise dramatically. Is that how we built this country? No, Mr. Speaker, we built it with a narrow band of steel linking 4,000 miles of every type of terrain with a few million people, deeply in debt and against greater odds than the world had ever seen. We still face the same transportation problems, with only 25 million people spread across the great expanse of our country.

The farmer was promised a fair statutory rate 86 years ago and it must be perpetuated now. Farm income has dropped 35 per cent and the 31.1 million tonne cap will be a disincentive, not an incentive. Again, we on this side are appalled that the Government would subsidize railroads over the free enterprise farmer. By 1990 the railroads will receive a 1,000 per cent increase in the freight rates. In heaven's name, why? I am afraid it is because it is easier to control this country that way, Mr. Speaker; just as with Canagrex it is easier to control the production of food.

Mr. Mazankowski: It is all a grandiose scheme; state control.

Mr. Stewart: We are seeing, slowly but surely, state control by the people opposite.

The Members of the NDP pay lip service to the desirability of having this Bill held up. The Hon. Member for Vancouver East (Mrs. Mitchell) wants to know where we stand. Well, we stand for the fullest debate possible, to the last possible speaker. I would just like to read into the record from page 26549 of *Hansard* of June 20, 1983, in order to show who wants to keep this debate alive. The Hon. Member for Regina West (Mr. Benjamin) moved that Bill C-185, and he meant Bill C-155:

> —an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be not now read a second time but that the order for second reading be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Agriculture.

These are the people who want to debate the Bill. A little further along we heard from another speaker, the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish), who said as reported at page 26567:

> In no way should he consider himself a candidate for the committee that will study Bill C-155. We want someone in the Chair who will be objective and take into consideration not only the wishes of the railway companies like the CPR and the grain companies like Cargill, but also the wishes of grain farmers throughout Canada. We want this to be a special committee. We would like to see two NDP Members on the committee in order to provide some kind of fairness—

But they do not care about speaking on this Bill and opposing it. They just talk about it. Once again I ask you to check the record on the number of speakers this Party has put forward and the stand this Party has taken. I would also ask you to check on the sentiments of the Hon. Member for Vegreville (Mr. Mazankowski) who, as I have said so many times in this House, has forgotten more about grain transportation than those across the aisle will ever know.

Mr. Deputy Speaker: The Hon. Member for Churchill (Mr. Murphy).

Mr. Malone: What has Churchill got to do with grain?

Mr. Rod Murphy (Churchill): Mr. Speaker, I heard one of the Hon. Members from the Conservative Party just now ask what Churchill has to do with grain? In doing so he of course is only echoing the thoughts of the Hon. Member for Lisgar (Mr. Murta) who called Churchill a costly luxury which we could not afford. He echoes the thoughts of the Hon. Member for North Vancouver-Burnaby (Mr. Cook) who called for grain to go through Thunder Bay and not Churchill. If the Hon. Member is telling me by his rude remarks that it is the Conservative Party's official position that they want to get rid of Churchill, and I believe that is the case, then I am glad he has the honesty to admit it.

In rising to speak against the attempt by the Liberal Government to close off debate on the Crow issue, Mr. Speaker, I would like to explain why we in the New Democratic Party, and why I as the representative of the Churchill constituency are opposed to the Government's legislation.

• (1830)

At the present time, the Port of Churchill is the closest route from the grain area to much of Europe. For many farmers, the cheapest way to ship their grain is through the Port of Churchill and into Europe.

The reason we are afraid of the legislation the Government is presenting is that it will allow for variable rates. Under the present legislation, all grain is transported on the same per mileage rate. That means that the rail companies will not be allowed to charge different rates on grain that goes from, say, Saskatoon to Churchill compared to grain which would go from Saskatoon to Thunder Bay or perhaps, if the railways had their way, even from Saskatoon into the States.

We are concerned that under the cover of updating the present Crowsnest rate structure, the Government is changing the whole direction of transporting grain in the West. Not only is the Port of Churchill threatened, but many of the lines from smaller communities to the central communities are threatened by the legislation as well. That is affecting the way of life and the economy of those small communities. It affects farmers and people who run stores in those communities. It affects the very real social life of those communities.

As Your Honour knows, we have presented a number of petitions in the House of Commons signed by residents of very many small communities in Manitoba, Saskatchewan and Alberta. They realize, much more than the Liberal majority in the House, and much more than some of the people who have spoken on the Conservative side, how important the Crowsnest rate statute has been to their way of life. They are not being selfish. They are not looking strictly at their pocketbooks, although we know that if the legislation were to pass it would mean vast increases in the cost to the farmers of moving grain in that region. However, they also realize that if the legislation were to pass the whole fabric of rural society in western Canada would be destroyed. These are people who have grown up in small towns and who have farmed in those areas, people who have worked in the grocery and hardware stores, to

implement dealerships in those communities, the people who would face at best a very uncertain future.

Many people in this House grew up in small or rural communities and recognize that there is a legitimate social benefit derived from life in those communities. When the Liberal Government introduces legislation which attacks that way of life, it is attacking more than the pocketbooks of these people. It is attacking their values. They live in those communities because they want to be independent. They want to have control over their own educational system, to know their neighbours, and to work on the farms of their ancestors, their fathers and mothers. That will not be possible with the legislation, because it will promote the big communities. It will promote transportation of grain from Regina to Saskatoon. However, it will hurt the small communities. It will mean that every small community which has an elevator will see that elevator being closed. Since the grain will be taken to the larger centres by truck anyway, it will mean that one might as well do one's purchasing there. Therefore, the stores in small communities will close.

If one is to be travelling back and forth, why should one even live on one's farm anymore? Why should one not live in the big community and simply commute to the farm? That may sound like a pipedream or something which would never happen, but if one considers the entire history of the depopulation of rural areas in Canada, one will know that that is what has been happening for the last 50 years in Canada, and that this legislation will only accelerate the process. If an economic tool which helps rural communities is taken away, in the long run those rural communities themselves will be taken away. That is the concern of this Party.

As the Hon. Member for Churchill, I have other concerns as well. I mentioned earlier that by introducing variable rates grain will not go to the Port of Churchill. That means that the Port will eventually be closed down. That may be satisfactory to some Members of the Liberal Party, and certainly to some Members of the Conservative Party, but it would not be a happy occasion for the people who live in the town of Churchill who work at the port or in the tourist industry there. Most of the people who come up to Churchill to see the port, the whales and the polar bears arrive by train. Obviously, those trains will not exist if grain is going elsewhere. Therefore, by taking away the grain shipments, not only will the economic industry be killed, but the economic industry of tourism in that community will die as well.

As a result of this legislation, the communities in my riding where people work on the rail line, such as those in Wabowden, Gillam and The Pas, will fold or fade.

I ask the Liberal majority in the House to consider what the passage of this legislation will do, not only to the Churchill constituency, the Port of Churchill and other communities which will be affected, but also to the many other rural communities. I also ask the Liberals to look at what will happen to the larger communities in western Canada. As the Government takes more dollars from the pockets of the farmers in western Canada, it is taking money from the urban residents of western Canada. The $6,000 more which the average farmer will be paying to the rail lines is money which will not be spent in stores in the cities of western Canada. It is money which will, for the most part, leave western Canada and never return. It is money which will go into the pocketbooks of the railways, but never into the economy of western Canada.

In an even more general area, I would like to point out that it is money which will never be spent in Canada at all. This will hurt not only the industrial towns where farm implements are built, where people are involved in the manufacturing industry. As money is taken from the pockets of farmers and small businessmen in rural Canada, as it is taken from the western economy, it is being taken from the entire Canadian economy as well. It is costing jobs in Churchill, The Pas, Humboldt, Yorkton and Melville. Money is also being taken from Regina, Winnipeg, Hamilton and all parts of the Canadian economy.

This legislation is very important. I, for one, am upset that the Government has moved the previous question to cut off debate, to cut off any chance to convince Hon. Members opposite who, by and large, are ignorant of western Canada. I mean that as no insult, but let us face the fact that the Government has only two Members from western Canada.

• (1840)

The Acting Speaker (Mr. Blaker): The Hon. Member will be aware that I have signalled him a couple of times that he should try to complete his remarks. If he has a remaining sentence, he may wish to finish.

Mr. Murphy: Mr. Speaker, I certainly will not ask for unanimous consent to continue because the very nature of this Bill is to cut off debate. In closing, I would say that this legislation is much more important than the Government realizes. It is much more significant and I would hope that the Government would reconsider its actions and allow more debate, and perhaps educate themselves on the effects of this Bill.

Hon. Jake Epp (Provencher): Mr. Speaker, in the ten minutes available to me I want to concentrate not only on the effects of the Bill but on what significance it might have if it was changed in certain ways that have been proposed by our Party, specifically by the Hon. Member for Vegreville (Mr. Mazankowski), in order to enhance transportation across Canada and specifically develop diversification in western Canada.

In order to do that I went back to two debates. The first was the debate of 1881 on the original Bill that formalized the agreement between the John A. Macdonald Government of the day and the CPR for the building of the railroad. I have been somewhat disturbed during this debate by the fact that the NDP have been railing against the CPR or against the railways as if everything they have done is wrong. If one reads the debates it can be seen that the purpose of the legislation was to create a transportation system which would bind the colonies together. That was the purpose and surely none of those

Members in the NDP want to say today that that was not a valid objective, nor I hope would they disagree with the vision of parliamentarians past.

On January 17, 1881, the then Prime Minister, Sir John A. Macdonald said this:

> Then will the fate of Canada, as one great body, be fixed beyond the possibility of Hon. gentleman to unsettle. The emigrant from Europe will find here a happy and comfortable home in the great West, by the exertion of the Conservative party.

The reason I use that quote is that the vision expressed by Sir John A. Macdonald, and other Members of that day was to take certain risks and develop and create opportunities for Canadians yet unknown and those whose citizenships were in other countries, so that they could come to this country and not only enjoy its freedoms but help in contributing to its economic well-being. It is my hope that the Government will remain sufficiently open in this debate to be willing to accept certain changes to the legislation which will enable us to develop further that vision. To date, I have not yet seen that willingness.

I wish to raise a few issues with the Government in the time that I have.

Mr. Pinard: Mr. Speaker, I rise on a point of order. I apologize for interrupting the Hon. Member. Since he has quoted Sir John A. Macdonald, whom I greatly respect, he must know that in 1867 Sir John A. Macdonald moved the previous question on the constitutional debate. He should keep that in perspective if he relies on Sir John A. Macdonald.

Mr. Epp: Mr. Speaker, the President of the Privy Council (Mr. Pinard) uses another quote from our first Prime Minister. I am always pleased to identify with him as well—that is, our first Prime Minister.

I want to quote a Liberal as well. The second quote I wish to read comes from the Crowsnest debate of June 18, 1897. I quote the Minister of Railways and Canals, Mr. Blair, who said:

> But, Sir, while that is so, we cannot shut our eyes to the fact that there are circumstances arising in a portion of this country, a country of vast extend and area, which render it imperative that the Government should lend a helping hand to the prosecution of certain works, if the inexhaustible resources which Canada possesses are to be properly and sufficiently developed. Instead of its being economy to stay our hands. I maintain it would be nothing short of waste if, upon careful study and examination of any proposal submitted to us, we are satisfied that the undertaking is one which will open up large resources of great value, the development of which will stimulate all other industries in the country and greatly add to its wealth.

That is the essence of the Conservative position in this debate. While the movement of grain is the principal position, it is also the opportunities that are involved. We see this debate as an opportunity not only to show the Liberal government but Canadians that as the region of western Canada diversifies, as my colleagues from central Canada have said, all regions of the country will benefit. That is the debate.

What is being proposed by the NDP is to once again turn back the clock. All of us who live on the Prairies have seen a diversification explosion on the Prairies over the last 15 years. Perhaps that timeframe could even be expanded. Nevertheless, we are not only concerned with grain on the Prairies today but with poultry, livestock and dairy products. If any of us want to confine the production in the Prairies today for use only in the Prairies we would have to dramatically cut back on agricultural production right now. That is untenable and we will not accept that. But that is basically the position the NDP like to keep putting forward. They like to think of themselves as activists, but they are reactionary. They are reactionary in the extreme.

The point which then must be made in this debate is that when we look at the opportunities which this debate gives us compared to the propositions that the Hon. Member for Vegreville has put forward on behalf of our Party, we see a set of issues that we just do not feel develop the very potential that we believe is extant on the Prairies. I am sure that other colleagues from the Prairies have gone to meetings similar to those I have attended where farmers have stood up in question periods to ask when they will be able to diversify their agriculture. They ask, "When will we get value added production in our area? When will we get industries directly related to primary agricultural production in order that our children can stay in the areas relative to where they have grown up?" How many times have we heard that? The NDP is proposing a further demise of exactly that hope that so many Prairie farmers have had for their children. That is exactly what they are doing and that is exactly what this Bill will do.

The fact remains that the NDP are frankly now out of this debate. The only reason this debate serves them right now is, with the 16 per cent solution they now have in the country and with their fiftieth anniversary convention coming up in Regina on the July 1 weekend they are in desperate trouble they are trying to do anything and everything in order to finally save some place for themselves on the Prairies. That is the very place which was their bedrock support at one time in the 1930s but it is not there any more.

I am a strong advocate of Churchill and Arctic technology. I think it is a shame that we as Canadians have not further developed our Arctic technology. Let me suggest what we did in the period of time that we were in Government. In Churchill, we extended the shipping season further than at any other time. At that time the Minister of Transport, the Hon. Member for Vegreville, brought in the *MV Arctic* and the *Pierre Radisson*. He initiated an interchange between the CN and CPR. We always looked at Churchill as one of the four major grain spouts for Canada.

We can produce in agricultural but we must have legislation that will allow us to diversify. Do not give us a 10 per cent safety net which will give an average cost for the movement of grain that will not allow farmers to produce oats or barley. How will that help up in western Canada?

• (1850)

Obviously, Mr. Speaker, a ten minute time period is not sufficient. The bottom line for us in the Conservative Party is

this. We have an opportunity to develop further the diversification of western Canada, not only for the benefit of our region but for all of Canada. That is the purpose of our debate. That is the point we are making here in the House and that is the point we will make in committee.

Mr. Deans: Mr. Speaker, I rise on a point of order. I want to raise with you a question that flows from the motion before us at the moment. You will, no doubt, be aware of the wording of the motion, Sir. The motion as it is recorded in Votes and Proceedings is as follows:

That this question be now put.

I want to refer you in the first instance to Standing Order 1. It reads:

In all cases not provided for hereafter or by sessional or other orders, the usages and customs of the House of Commons of the United Kingdom of Great Britain and Northern Ireland as in force at the time shall be followed so far as they may be applicable to this House.

You may be interested to know, Sir, that in the nineteenth edition of Erskine May at page 378, Chapter XVIII, and I quote for your edification, although being as knowledgeable as you are you probably know it off by heart, the black type which reads "Previous question" and then we find:

A method occasionally employed in order to withhold from the decision of the House a motion that has been proposed from the chair is to move the previous question. This is a motion which compels the House to decide, in the first instance, whether the original motion shall or shall not be submitted to the vote of the House, and in the Commons the question proposed on this motion is, "That that question be not now put"—

You will have noticed, very quickly, I am sure, that there is a distinct difference between the motion we have before us and the motion used in the House of Commons which, by Standing Order 1, is the motion, we must follow. Let me point out the reason. The paragraph under the heading "Previous question" goes on to read:

If it be resolved in the affirmative, the Speaker is prevented from putting the original question, as the House has thus refused to allow it to be put. The original motion may, however, be brought forward again on another day, as the decision of the House merely binds the Speaker not to put the question thereon at that time. If the previous question be resolved in the negative, the original question on which it was moved must be put forthwith—

I do not want to go into all of the detail, but I do want to point out to you, Sir, that the reason the motion is worded in that way is very carefully set out. The Speaker of the day in the House of Commons put the previous question in this form on March 20, 1888. The Speaker decided that a motion "That the question be now put" was in fact a closure motion. Since there can be no debate thereon it was decided at that point that the wording of the motion had to be altered in order to achieve the desired result.

What this requires, as you are no doubt aware, is that a mover of a motion "That the question be not now put" would vote in the negative. In other words, the mover of the motion would vote nay and those opposed to the motion would vote yea in order to achieve the desired result, if the desired result were to stop debate and have the motion on the question.

I would ask you in the interest of House of Commons voting in the proper way, which I think is vitally important, and in the interest of not having the motion that was moved, I contend inappropriately, considered closure, which the Government has steadfastly indicated that it does not want it to be considered, that the motion should be withdrawn. That motion should then be reintroduced in the proper form according to the citations of Erskine May.

It could go ahead, I suppose, but the unfortunate part of that could be that because Erskine May has so clearly set out the precedent, confusion undoubtedly would be the order of the day. Not only that, we would be departing from the requirements of Standing Order 1. I am sure there is no Member of the House who would wish that we depart from the requirements of Standing Order 1.

If the motion now before us were to be put, it would be in direct violation of Standing Order 1. It would be in direct violation of what the Government itself has steadfastly said it does not want to do. I think the Deputy House Leader would be willing to admit that that is true, that it is not the Government's intent to move a closure motion.

Given that the motion before us has already been interpreted as a closure motion, ruled upon as a closure motion at Westminster and accepted as a closure motion at Westminster, the Government might well want to ask the concurrence of the House—which I am sure would not be forthcoming—to alter the motion. Otherwise I would ask you, Mr. Speaker, to rule that the motion before us is an inappropriate one. If the Government wishes to move closure, it may do so in a quite separate and different way under a quite separate and different Standing Order. But it may not do by the back door what it will not do by the front door. It may not impose by some devious means that which it will not impose directly.

I would therefore ask if you would be kind enough to look into the arguments contained in this submission and agree that the Member who moved the motion, inadvertently, I am sure, be ruled out of order. If the Government wishes to proceed in this way I suggest that it move a proper motion rather than leaving the motion we now have before us in a way which could be and no doubt would be very confusing, and would be a direct contradiction of the rules of Parliament as they are applied by the British parliamentary system at Westminster and brought to Canada under Standing Order 1.

The Acting Speaker (Mr. Blaker): Order, please. The Chair is quite clear on the issue. I am perfectly prepared to rule immediately. However, if there are Hon. Members who wish to contribute to the well being of the Chair's mind, of course, I will recognize them. I will simply say as an indication that it has been an interesting exposé of an interpretation of our Standing Orders. As some indication to assist Hon. Members I can say that the specific overrules the general in every case of interpretation and that is the course the ruling will be following.

Mr. Smith: Mr. Speaker, it is reassuring to know the Hon. Member for Hamilton Mountain (Mr. Deans) has read Standing Order 1. His problem is he does not seem to have read any of the Standing Orders subsequent to it. Regrettably, he is about as far out in left field as he could be. I would refer

the Hon. Member for Hamilton Mountain to page 49 of the Standing Orders of this Parliament. Where he will find Standing Order 56(1) as follows:

> The previous question, until it is decided, shall preclude all amendment of the main question, and shall be in the following words, "That this question be now put."

• (1900)

It may well be that in the event the Standing Orders of this House did not address something, the rules of Westminster prevail, but in fact the Standing Orders of this House have addresed that point directly and right on. If the Hon. Member refers to page 26521 of *Hansard* for yesterday, he will see that the wording used by the Hon. Member for Rosemont (Mr. Lachance) when he moved this motion was in that exact form:

> That the question be now put.

Also I refer him to Citation 452(1) on page 157 of Beauchesne's Fifth Edition which reads:

> The previous question is moved when the original question is under debate in order to force a direct vote on it, thereby preventing any amendments to the original question to be proposed. The form of the motion is "That the question be now put."

The phrases found in both our Standing Orders and in Beauchesne's are the exact phrase, to the letter, that in fact constituted the motion moved by the Hon. Member for Rosemont. I am afraid my honourable friend is about as far out in left field as I have ever seen him on a procedural matter.

Mr. Mazankowski: Mr. Speaker, I rise on a point which is somewhat connected; perhaps I could seek your clarification. As reported at page 26540 of *Hansard* for yesterday, Madam Speaker in responding or dealing with the motion which is now under debate indicated:

> —that the motion on the previous question is not closure, because after the House votes on the previous question, the debate on the main question will, of course, be resumed. When the previous question is put, this is done only in order to prevent the proposal of new amendments and to ensure that the debate continues on the main question.

There is some discrepancy between the Speaker's ruling and indeed that which is pointed out under Standing Orders 56(1) and (2). Either the Standing Order is being misinterpreted or when this motion is disposed of, according to the Speaker's ruling yesterday, we will then be in a position to go back on the debate of the original motion.

Mr. Deans: Mr. Speaker, I will be very brief. Of course the Parliamentary Secretary to the Government House Leader is quite wrong, unfortunately, as is usual. He will note that the precise words to be used are the following:

> That this question be now put.

I draw attention to page 26538 of *Hansard* where it reads:

> That the question now be put.

There is a distinct difference between "this question" and "the question". The wording as contained in *Hansard* and accepted by the Speaker is not the wording required by the Standing Order. The Standing Order is quite specific. The Standing Order indicates that it must say the following. It does not give any leeway. It reads:

> The previous question, until it is decided, shall preclude all amendment of the main question, and shall be in the following words, "That this question be now put".

I draw to the attention of the House that the Hon. Member who moved the motion did not use those words. It does not say that one can use any reasonable facsimile thereof. It does not say that one can alter words. It says that they must be in those words, and I contend that those words were not used.

The Acting Speaker (Mr. Blaker): Would the Hon. Member for Hamilton Mountain (Mr. Deans) or the Parliamentary Secretary assist the Chair. At what page is the reference made to when the motion was put?

Mr. Smith: Mr. Speaker, on page 26521 of yesterday's *Hansard* is in fact when the motion was moved.

The Acting Speaker (Mr. Blaker): There seem really to be several points on the floor at the moment. We will begin with the issue of the reference to Standing Order 1 and the interpretation of Erskine May in that regard. It is correct, as the Hon. Member for Hamilton Mountain indicated, that in the British House the question is put in the negative. It is correct that in the Canadian House the motion is put in the positive and has been since 1867 and is referred to in Standing Order 56(1). As I indicated already, any reasonable interpretation as between the general and the specific provides that the specific shall be followed, and accordingly the motion has to be put in the positive in the Canadian tradition.

On the next subject matter, the Hon. Member for Hamilton Mountain indicated that in accordance with *Hansard* the previous question was not put in precisely the language called for by Standing Order 56, that instead of reading, "That this question be now put", the wording was, "That the question be now put". I think it is the responsibility of the Chair to avoid dry legalisms in an attempt to interpret the Standing Orders. They are bad enough in some cases without a fuss over the difference between the word "the" and the word "this". It seems to me that nothing is lost to the House and nothing is lost to the Hon. Member for Rosemont (Mr. Lachance) who proposed the motion in the difference between the word "the" and the word "this". If I might refer to no interpretation other than natural justice, I think the Chair ought to accept the wording as put forth by the Hon. Member for Rosemont.

I see, for what it is worth, that in *Votes and Proceedings* the motion was moved in the exact language referred to in the Standing Order.

Mr. Smith: Mr. Speaker, on the same point—

The Acting Speaker (Mr. Blaker): The problem I have now—and I will recognize the Hon. Parliamentary Secretary in a moment—is the comments made by Madam Speaker yesterday and referred to by the Hon. Member for Vegreville (Mr. Mazankowski). It is my view—and I am not entitled to

rule on Madam Speaker's words; it is a somewhat difficult position for me to be put in—that on a review of her words Madam Speaker may choose to reword the sentences in such a way as to indicate that once the previous question is put it would follow automatically that there is no debate on the main motion, but rather that the main motion would be put. However, I understand that the Hon. Member for Vegreville and the House has an absolute right to hear that from Madam Speaker herself, not my interpretation of her words. The thing to do with that point of order is to take it under consideration and Madam Speaker at the next occasion will address herself to that point.

Mr. Smith: Mr. Speaker, it has been drawn to my attention that when the Hon. Member for Rosemont moved the motion he did so in French, not in English. I have looked at the French verson of *Hansard* for yesterday and found it at page 26521 and in the French version of the Standing Orders it is exact, to the last letter. There is not one difference between the form as set out in the Standing Orders and what the Hon. Member moved in French. If there is any variation, it is in the translation, not in the language used by the Hon. Member when he moved the motion, so I think the Hon. Member does not have a point at all.

Mr. Mazankowski: Mr. Speaker, on the point I raised earlier, the Parliamentary Secretary to President of the Privy Council (Mr. Smith) contended very vehemently that the motion we are now debating is not a form of closure. He may know something about this motion that we do not know and that view may very well be shared by the Speaker inasmuch as she indicated the same words. Again I repeat:

—the motion on the previous question is not closure, because after the House votes on the previous question—

And the important point here:

—the debate on the main question will, of course, be resumed.

• (1910)

I think that is important. It is a very important ruling. I am not suggesting that you challenge the Speaker's ruling, but we as Members of this House can only go by the Speaker's ruling. We will have to take it from that ruling that was advanced by her at page 26540 of *Hansard* of June 20, 1983.

The Acting Speaker (Mr. Blaker): I think the Hon. Member for Vegreville (Mr. Mazankowski) is perfectly correct. Madam Speaker has made a ruling to that effect, and unless for some reason she were to choose to review the wording that she had chosen, every Member in the House should be able to rely on it. There is no dispute in that sense. However, I want to indicate to the House that possibly the Speaker would like to review the words.

Mr. McKnight: Mr. Speaker, just for consideration by the Chair, by Madam Speaker, if she wishes to reconsider, at page 26540 of *Hansard* for June 20, Madam Speaker stated:

As for the last question put to the Chair, namely, what time limits apply in the circumstances, I must say that the Hon. President of the Privy Council (Mr. Pinard) and the Hon. Member for Hamilton Mountain (Mr. Deans) are right. In the opinion of the Chair, and after thorough consideration of how the new Standing Orders could be interpreted, the provisions of Standing Order 35(2) apply.

For the consideration of the Chair, Standing Order 35(2) reads:

When second reading of a government bill is being considered, no Member except the Prime Minister and the Leader of the Opposition shall speak for more than—

It then goes on with 40 minutes, 20 minutes and 10 minutes. Madam Speaker, appears to have backed up her previous ruling which the Hon. Member for Vegreville has brought to your attention, that the debate will continue and, under the time limits we have, it would continue with ten-minute speeches.

The Acting Speaker (Mr. Blaker): I wonder if I may explain that there is, of course, an interpretation of the Speaker's remarks which is perfectly consistent with the ruling, that is, that if the previous question as put to the House were to fail, that is to say it would be rejected in a vote, obviously the debate would continue on the main motion. The wording used and referred to can be interpreted in one sense, as I said, that the failure of the previous motion would mean the House would continue to debate, but I must point out—

Mr. Mazankowski: Mr. Speaker, if it is simply a matter of bringing the question that is now under debate to a vote, as is indicated by the Speaker's ruling, then the debate on the main motion, according to her ruling, would be resumed. That is the only interpretation that one can make.

Mr. Taylor: Mr. Speaker, I do not know why we want to challenge the Speaker's ruling. When this Speaker gives a ruling, as when previous Speakers made a ruling, that is the ruling and that is it. It is not to be discussed unless you want to challenge it, and the procedure is there. I think we should accept the ruling as given for this reason: If it was not so, this would be the most sneaky way of introducing closure, a very, very sneaky way. I do not know what the Speaker had in mind, but it may have been that very thing, that by putting the question now and discussing it, we were not permitting a sneaky way of coming in the back door with closure. That is really what it would be if we did not have the ruling as given by the Speaker. I do not know why we want to question that ruling. It really makes sure that everything is above the table and not under the table.

Mr. Prud'homme: Mr. Speaker, I think we could go on all night trying to understand what Madam Speaker meant by the words being quoted tonight.

Mr. Kempling: Go out to The Farm and ask her.

Mr. Prud'homme: In order to proceed in an orderly fashion, I think the best way is to proceed with the debate this evening, and at the next opportunity Madam Speaker could be asked to clarify exactly the meaning of her ruling.

I agree with my colleague who just spoke that Madam Speaker "seems" to have made a ruling, but I do not see this evening the relevancy of having a lengthy debate on the

meaning of what Madam Speaker indicated earlier. In order to proceed in an orderly fashion, I submit that we proceed with other speakers who may have an important contribution to make. I am willing, as I have been since the beginning of this debate, to listen to something new that Members may want to put forward between now and 11 o'clock this evening.

I submit that we are going nowhere. I prefer, as has been indicated by those who are here, that Members have the opportunity to put forward their views tonight, and at the first opportunity my very good friend for Vegreville (Mr. Mazankowski) could ask the Speaker indirectly in the House or indirectly in other ways the exact meaning of her ruling. She is not in the Chair.

You, Mr. Speaker, are not going to say what exactly she meant to say when she said something earlier on. In conclusion, I submit that we should proceed with the debate and listen to what our colleagues have to say tonight in their contribution to the debate.

Mr. Deans: Mr. Speaker, under normal circumstances, that would be a most intelligent suggestion. However, let me just ask this question: Suppose we were to decide that the vote should come now, what then would we do? Would we then proceed on the basis of the apparent ruling by the Speaker that the debate on second reading could be completed in accordance with the existing Standing Order, or would we have the vote? Would we sit and wait? What would we do?

It would be very difficult for us to allow the vote to take place not knowing the consequences of that action that would flow from the ruling of the Speaker, if I may say so. It might be more appropriate in the circumstances if we were to adjourn for an hour until the Speaker could get back from wherever she is and clarify for us exactly what she had in mind. It would be fair to the Government lest they feel they would be cheated out of their motion. It would be fair to the Opposition.

I would ask you, Sir, do you not think that since the actual vote hinges on the Speaker's interpretation of her own ruling and since it is entirely possible that the vote on the motion to have the previous question could well come at any moment, maybe you would take it upon yourself to call a brief adjournment and ask the Speaker if she would mind returning to help us out in this matter?

Mr. McKnight: Mr. Speaker, as a way of attempting to assist the Chair, may I suggest that, rather than an adjourning, so that Members on this side, not the Government side, who wish to speak will not be deprived of speaking time, if the rules of the debate are going to be changed, maybe we could sit here and Government Members could carry on this debate. That would not deny Members on this side the opportunity to speak. Government Members could carry on this debate until there is a ruling. We have heard that there are several Members opposite here who are anxious to speak. We would allow them the opportunity to take part in the debate while we wait for the decision of the Chair as to the meaning of the interpretation.

Mr. Smith: Mr. Speaker, it is quite clear what is going on here. The NDP Members are again grasping at any flimsy excuse to try to delay the debate.

• (1920)

I would refer Your Honour to page 79, Citation 239.(2) which states:

> Hypothetical queries on procedure cannot be addressed to the Speaker from the floor of the House.

That is what has been happening here, Mr. Speaker. There have been queries directed to you about what would happen in the event that certain events occurred, what would be the application of the Speaker's earlier comments in the event that situation A, B, C or D occurred. That is specifically prohibited by Beauchesne.

You have been quite patient, Mr. Speaker, but I think it would be a travesty of all parliamentary tradition if this were allowed to go on. Surely the debate must continue. The people of Canada are entitled to have the issue discussed. They are entitled to be heard as witnesses in committee once the Bill gets there. Let us get on with the debate.

Mr. Skelly: Mr. Speaker, I have a few comments and observations to make about the advice given to the Chair by previous speakers in the sense that the interpretation of the provisions and the ruling of the Speaker should be dealt with now. There a number of important issues that would be determined in subsequent debate, and it is my contention that, if in fact the interpretation of the ruling moves a certain way, we would find ourselves in a situation where the possibility of amendment exists. It strikes me that the benefit to Canadians that would flow from some of the motions that would have been put forward in the form of amendments would be extremely useful to the House and the country at large.

It strikes me that this is very clearly a closure or time allocation manoeuvre. Members of the Conservative Party know very well that, as we proceed, this will in fact kill debate and put the Bill to committee following second reading.

In concert with my colleague, the Hon. Member for Hamilton Mountain (Mr. Deans), I would like to indicate to the Chair that it is important that an interpretation of the Speaker's ruling be brought forward so that we can determine what course of action we will follow from here.

The Acting Speaker (Mr. Blaker): I will assist the Hon. Member for Comox-Powell River (Mr. Skelly) and other Hon. Members who are asking for an interpretation. The House will recognize that the weight of judgment should be given to the comments made by Madam Speaker. I find it to be a perfectly clear interpretation of her remarks as recorded by *Hansard* that in the event the previous question is put and the motion is negatived, then debate will continue on the main motion. I find it at the same time consistent, although not necessarily stated in her remarks, that if the previous question is put and carried, then there will be no further debate and there will be a vote taken on the main motion.

I have done my best to assist Hon. Members with the interpretation of Standing Orders, Beauchesne and Madam Speaker's remarks, and I would suggest that debate continue, unless, of course, the House wishes me to put the previous question.

Some Hon. Members: Question, question.

The Acting Speaker (Mr. Blaker): Is the House ready for the question? The Hon. Member for Vegreville (Mr. Mazankowski) rises on a point of order.

Mr. Mazankowski: Mr. Speaker, I certainly respect your interpretation, but nowhere in the Speaker's ruling is found the word "negatived" or the indication that it may be passed in the affirmative. The ruling simply reads:

—that the motion on the previous question is not closure, because after the House votes on the previous question—

It does not say whether it is negatived or passed in the affirmative. It simply reads, "after the House votes on the previous question". That is very clear, Mr. Speaker.

Some Hon. Members: Question, question.

The Acting Speaker (Mr. Blaker): Is the House ready for the question? Does the Hon. Member for Comox-Powell River rise on a point of order or in debate?

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I rise in debate. It seems that my hon. colleagues on the Liberal side are again quite prepared to prevent debate on this issue.

It is interesting to note, Mr. Speaker, that the question that is before us tonight and has been before us for some time is of serious and extended concern to the people of Canada and that the Government has in fact imposed closure on this particular motion. Closure is understood as a mechanism by which debate is brought to a halt and the House is forced to divide on a question without having had, on an issue of this importance I would suggest, a proper opportunity to judge a number of alternatives. The Government has selected the course of action it wishes to follow. It has selected a course of action that is opposed by a large number of people in Canada and particularly by a large number of people in western Canada who will be harmed by this legislation.

In addition, Mr. Speaker, there are groups in the country that wish to see this legislation go ahead because of a serious need for improvement of the transportation system. Unfortunately, these groups are willing, because of the desperate need to get local economies going in certain regions of the country, to load the burden of paying for the rail system improvements upon a specific group of people, the people of the western farming community. It is unfortunate that the Government would see fit to place this kind of a burden on those people and to place other Canadians who depend upon an efficient transportation system in a position where the only way to develop and improve the rail system that is so desperately needed is to put the necks of fellow Canadians on the block. This is what has ultimately happened.

It strikes me that the necks that will eventually wind up on the block are those of the Members of the Liberal Party who presently form the Government of Canada. There is no doubt in my mind, Mr. Speaker, that they will pay a terrible price for what they have done to Canadians.

The other unfortunate aspect of this debate is the complicity of Members of the Conservative Party with Members of the Liberal Party. We in the House have no doubt that Conservative Members have aided and abetted the passage of this legislation without adequate consideration of the underlying principles of the Bill. "Do it to your neighbour before he does it to you", is the Conservative way. In that light, we can understand their complicity with the Liberal Party on this particular situation.

Throughout the debate, I have been disappointed by some of the propositions put forward by my Conservative colleagues. They have suggested that the Liberal way is no good, and yet in aiding and abetting the Liberals, they are allowing that way to proceed. If they were in fact able to put up sufficient speakers to express the concerns of their local constituents, we would see a much fuller debate on this Bill.

Mr. Mazankowski: Nonsense.

Mr. Skelly: It is also interesting to note, Mr. Speaker, that Conservative Members, under the previous Conservative Government, said that improvements to the rail system were on the way, that there would have been no problem, and that it is the fault of the NDP that the Conservative Party hit the bricks. I think that, for the edification of the House and the country, we should look at what happened to that Government in retrospect. One of its biggest problems was its failure to deliver on the transportation system and failure to deliver on most systems in the country.

Mr. Benjamin: They hired a fellow to write this Bill.

Mr. Skelly: As my colleague, the Hon. Member for Regina West (Mr. Benjamin), has pointed out, it was those people opposite who put this particular solution that imposes such hardship on the farming community in the West afoot. There is no doubt that Conservative Members, in complicity with their colleagues across the floor, their bedfellows as it were, have laid this curse upon the West.

To suggest that the New Democratic Party has somehow caused a problem by kicking out the previous Conservative Government is false. Believe me, Mr. Speaker, it was the people of Canada who threw it out. They threw it out for moving a Canadian embassy to Jerusalem. They threw it out for its oil pricing policy. It is of no use to say that its rotten policy was any easier to swallow than is the current rotten policy put in place by the Liberal Government. What is the difference between one curse and another?

Nevertheless, Mr. Speaker the Conservative Party of Canada is supporting an amazing position at this time, one that its Leader will ultimately support. I am speaking of its

present Leader, not the one who was retired in such an undignified manner. It is interesting to note the hypocrisy of the individuals in that Party who can say that the NDP put the previous Prime Minister out on the street. When that Prime Minister admitted he had made terrible mistakes, when that Prime Minister decided to take his Government and his colleagues to the people to ask for another mandate, that Party went right down the drain because the Canadian people had an opportunity to judge the merits of it. Now we have this tremendous hypocrisy when the Hon. Members of the Conservative Party can stand up in this House and say that the NDP did something nefarious in putting forward an amendment to a non-confidence motion which resulted in the fall of the Government, and later on those same Hon. Members turn around and turf that former Prime Minister right out of the leadership of their Party.

• (1930)

The incredibility of that proposition, Mr. Speaker, almost smacks of the "big lie" technique. Nevertheless, I expect those Hon. Members to preach it, to attempt to preach it, but there are a lot of people in Canada who believe that the Conservative Party and its masters in central Canada, on Bay Street, are the ones who have in fact done it to another westerner. That Party did it to the former Hon. Member for Prince Albert and now it has done it to the former Prime Minister of Canada. It is just not acceptable to that Party to have a westerner in control of the situation. Therefore, I would not want to hear another Hon. Member stand up during this Crow debate to say that the Conservative Party had any intention of doing anything to repair the railroad system in Canada. That Party needs to work pretty well full time just trying to keep its caucus together on the same track.

The other incredible message which that Party has been trying to deliver in this House, that in some way turfing out the former Conservative Government was anything less than a service to the Canadian people, is astounding. It has also been interesting to listen to the former Conservative speaker who felt that the Canadian Pacific Railway had done a great service to Canada. He spoke of John A. Macdonald. It is interesting to note that John A. Macdonald did not lead the Conservative Party. He led an organization which was called the Liberal-Conservative Party. There is no doubt about the common interest of both Parties which John A. Macdonald represented in the House in selling out the Canadian people.

The Canadian Pacific Railway did not do a service for this country. The people who built that railroad, who poured their savings into it, who had some trust in the Government at the time, feel that they have been betrayed. Canadians, except possibly for the small covey of compatriots here who cannot see beyond their own noses on these issues, feel they have been betrayed. The Canadian Pacific Railway, in concert with the Liberal-Conservative Party, led by John A. Macdonald and the Bank of Montreal, skimmed Canada of 25 million acres of land, $25 million, a handout so incredibly rich that anyone to whom that was given would owe a duty and an obligation to this country to conduct the services which they had guaranteed to provide for time immemorial, virtually. Either that, or they should turn back the resources which they were given, turn back the benefits which those resources have gained for them over the period of years. That is a fair offer, Mr. Speaker. We may be able to assume the burden of the taxpayers if in fact that corporation is prepared to do that.

A second item which is under consideration, and it has been mentioned before, is that there is something very obscene in placing a burden, a renewed burden on the taxpayers, and a very heavy burden on western farmers, in order to bail out two railroad systems in Canada, the Canadian Pacific Railway and the Canadian National Railways. These companies are currently investing offshore, taking funds which they have earned in Canada, and instead of investing that capital in the upgrading of the railway system, instead of investing it in hopper cars and all the station improvements and equipment, they are taking it outside the country. From the point of view of the merchant shipping issue, in which I know the Conservative Party is interested, I cannot really help but wonder about the Canadian Pacific ships and how it can buy those ships offshore with Canadian dollars, how it can operate those ships without Canadian crews, and bank the money in Bermuda. It is astounding. It does not pay tax here. It provides no benefit here. In fact, it deprives Canadians of economic opportunity and, indeed, of employment. That is the kind of thing which the Conservative Party stands for, the old allies of the CPR. That is what the previous speaker from the Conservative Party was praising.

One of the most astounding advertisements for the Canadian Pacific Railway which I have ever seen was the one it released during the period of the Grey Cup. It announced the tremendous speed of a ship called the *Beaverford,* which fought off a German vessel during the Second World War. At that point in time, Mr. Speaker, it claimed that it was building for a new Canada. Yet the tradition of the CP ships—

The Acting Speaker (Mr. MacLaren): Order, please. I regret to inform the Hon. Member that his time has expired.

Mr. Skelly: Mr. Speaker, I wonder if my colleagues would be interested, especially my Conservative colleagues here tonight, in hearing a little more?

The Acting Speaker (Mr. MacLaren): The Hon. Member for Peterborough (Mr. Domm) has the floor.

Mr. Bill Domm (Peterborough): Mr. Speaker, I am sure I hear the Liberals over there saying, "Tell me something about metric". Well, we would not be in the mess we are in with metric if it had not been for the help of the New Democratic Party in supporting the Liberal Government in bringing about a change to metric—

The Acting Speaker (Mr. MacLaren): Order.

Mr. Benjamin: Mr. Speaker, a small reminder. The Hon. Member for Comox-Powell River (Mr. Skelly) just asked for permission to extend the time for him to continue his remarks. It seems to me the Chair should ask the House if there is unanimous consent for him to do so.

The Acting Speaker (Mr. MacLaren): I anticipated the answer by hearing several Hon. Members say, no. However, I will gladly put the question. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. MacLaren): The Hon. Member for Peterborough.

Mr. Domm: I cannot let the remarks of the Hon. Member for Comox-Powell River (Mr. Skelly) go by, Mr. Speaker, when he criticized the actions taken by the Conservative Government in bringing about what he called "detrimental results in the West", without saying that, contrary to what the Hon. Member might think or believe, it was the New Democratic Party which allowed the Liberal Party to come back into office through its motion of non-confidence. It was the Liberal Party—

Mr. Benjamin: The voters did.

Mr. Domm: No, it was an NDP motion. It was as a result of that—

Mr. Benjamin: How come you are blaming all those voters?

Mr. Domm: I know that it bothers those Hon. Members, Mr. Speaker, when they are criticized as being, it has been said, "the little red rump" of the Liberal Party. However, we would not have had a 20 per cent cut in Via Rail service across Canada if the NDP, in conjunction with the Liberals, had not brought down the Conservative Government in 1979. That is what we received in return for the Party's efforts.

It should also be noted that it was, Mr. Speaker, the NDP Members who remained perfectly silent, almost mute, on some of the issues which have most gravely affected the West. I did not hear the New Democratic Party supporting the Conservative Party when it saw the destruction which was brought about by the National Energy Program as it pursued the nationalization of one of the richest non-renewable resources in the West. It was the Conservative Party which protected the free enterprise system. And it was the New Democratic Party, Mr. Speaker, in concert with the Government, which brought about the abolition of property rights in our Constitution. It was true that debate over the Constitution—

• (1940)

Mr. Young: A point of order, Mr. Speaker. I am sure the Hon. Member would not want to mislead the House. Property rights have never been in the Constitution. Property rights have been protected by provincial Governments for many, many years and they have never been included in any federal jurisdiction. For the Member to imply otherwise is really quite unforgiveable.

Mr. Domm: Mr. Speaker, the Hon. Member has a short memory. I have to remind him that it was the Conservative amendment which brought property right back into the Constitution, at least momentarily, until the NDP made a deal with the Liberals to remove it in return for NDP support on the Constitution. I know that bothers both Parties because they do not like to be considered in bed together, but there is no doubt in my mind, and I am sure from the anxiety they show here tonight there is no doubt in their mind, that they are just what they are reported to be: a socialist Party interested in the control of the free enterprise system, removal of property rights, and cancellation of 20 per cent of VIA Rail service. They put the Government in office which brought those things about which have been very detrimental—not to mention the National Energy Program—to westerners.

Perhaps they need a few more reminders from a Member from central Canada about the wrack and ruin they have caused in the West. Remember, it was the Conservative Party which fought long and hard to kill the NEP. It was the Liberals who supported the NDP when they asked for removal of property rights so that provincial NDP Governments, some of them in the West, could then control the acquisition of private property and protection of same within our Constitution. It was the Conservative Government, while it was in office for a short nine months, which brought in the Neil report. To refresh the memory of the NDP, that report brought back some semblance of branch lines, the removal of which from the west was being threatened.

Mr. Althouse: Point of order.

Mr. Domm: They are upset again, Mr. Speaker.

Mr. Althouse: Mr. Speaker, I was just wondering if the Hon. Member would explain a little bit about the Neil report. Is that the same report which refused to grant continuation of the line through Wishart in my riding, where the line disappeared because they refused to address the needs of those people?

Mr. Domm: Mr. Speaker, with all due respect, perhaps the Chair could give some consideration to advising Members of the NDP that this is time for debate, not a question period. I am sure that if they could get the unanimous support of their cohorts on the other side of the House, we would welcome a question period on the abolition of the Crow at the conclusion of the comments of every speaker. But I defy them to get in bed again with those on the other side of the House—

Mr. Smith: We do not want them; you can have them.

Mr. Domm: —and get them to agree unanimously to a question period following each ten minute speech. I would suggest, Mr. Speaker, with all due respect, that they would have a great deal of difficulty getting that permission from the Chair.

What about the longshoremen, Mr. Speaker? What about the people in unions who support very actively the NDP and its philosophy?

Mr. Crosby: They do not support the NDP.

Mr. Domm: What? They do not support them? Well, what happens in the West when there is a problem with grain movement? They look to the NDP who literally abandon them with their concern about property rights. I come from a riding, Peterborough, which as some people might not be aware, is made up primarily of union members and unions like the United Electrical Workers and United Steel Workers. They told the labour organizers of the NDP that they were not going to be told how to vote at election time. That is not the way you get responsible Government. The day that the labour unions rely on the NDP will be the day that their interests are sorely neglected.

Concerning the legislation before us dealing with the Crow, some Members of the Government and the NDP may be concerned as to why someone from central Canada would be interested in speaking on the Crow, which is perceived by a lot of people in Ontario to be a western issue. In reality it is not a western issue. It strikes fundamentally at our system of Government, our traditions and customs which have long been abandoned by the NDP, not to mention the Government of the day. Let us examine the Bill for what it really is, let us throw light on the subject. It is nothing more nor less than a scheme to reorder rural life in western Canada. It is like changing acres to hectares for the westerners. They would not stand for that. They do not appreciate the fact that the NDP in central Canada, and some Members from western Canada, would fall in the trap of the Liberal Government of the day and be so willing and so quick to charge the Conservatives with not doing their bit in the fight against the Crow. In reality we will put up two if not three times the number of speakers they have put up.

Some Hon. Members: Hear, hear!

Mr. Domm: You see, Mr. Speaker, that is what you can do when you have a true national Party. That is one thing the Government cannot do. The Government cannot speak to the Crow where it affects the people through their representation in Parliament. The Government is void of credibility on the subject. When the Government brings in legislation that abandons 20 per cent of the VIA Rail service across Canada against the wishes of the CTC and against the recommendation of every reputable board or commission in Canada, then it is not being responsible in its duty to the people of the West.

We came to discuss the Crow, Mr. Speaker, and something was going to be taken away. Then the Liberals received from Quebec the hue and cry that they did not wish the farmers of the West to receive the subsidies; they wanted it to go to the railways. Then the Government had the gall to say on national television and in the media that it was going to do what Quebec wanted because Quebec had more votes.

The NDP and the Liberals have run out of speakers. They do not have enough representatives across Canada to carry a debate in the House against the Government which is running roughshod over the Canadian people on all issues. So I would like to suggest, Mr. Speaker, that the Government, to show its sincerity about discussing this issue to its fullest, agree with the NDP once more, just as it is so capable of doing when the crunch is on. Let it say that after each speaker has finished speaking, there will be a question period in order that the confused NDP Members can get their questions to Members of the Progressive Conservative Party in order to get them answered in the House of Commons.

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, that was really quite an amusing if somewhat neanderthal dissertation we just heard. I believe I heard the Hon. Member mention the Crow rate once or twice in his speech. The Crow rate is too modern and it is pretty hard for him to defend something that modern or that new.

• (1950)

I was interested in his comments that his Party protects free enterprise and is preserving small business. I have been interested in the reaction of some of the gas station owners in Peterborough who are losing business to a gas station operated by a bunch of fairly wealthy Members of Parliament.

Mr. Smith: Name them.

Mr. Sargeant: That is some preservation of small business in his home constituency. I never fail to be amazed by the insults to the electorate of Canada which the Conservative Party Members continue to heap on that electorate when they continually deny that it was the voters who kicked their incompetent Government out of office three and a half years ago.

Mr. Althouse: It was the Tory delegates.

Mr. Sargeant: It was the Tory delegates, my friend said. My goodness! Any Government that was incapable of counting was hardly worth keeping in office. The people of Canada demonstrated that when they went to the polls the last time.

It was also interested in his referral to the Neil report. With all due respect to my friend, the Hon. Member for Moose Jaw (Mr. Neil), the Neil report was hardly greeted with open arms in my part of the country. I know that one of the main subdivisions in my constituency is the Inwood subdivision, one of only four lines, I believe, which run up through my area and one of the two lines which really runs into the heart of the grain country in my constituency. The Neil report recommended shutting the line down.

Hon. Members know that there are two or three small farming communities which have been around for, oh, a number of decades now, notably Broad Valley and Fisher Branch. If the Inwood subdivision is ever shut down, they may well die, which may well do away with communities which have a tradition in the area and the way of life for many of the people living there. We have all seen ghost towns dotted across the Prairies. I do not think we really want any more of them.

It is a very nice, small community, Arnold. You would probably enjoy it. You should visit it sometime.

Mr. Malone: Crowfoot.

Mr. McKnight: He will, in the next campaign.

Mr. Sargeant: I am sure he will, but it will not do his Party any good.

I am interested in the Tories' commitment to the debate. We have heard them maintaining that they are the real defenders of the Crow, yet if we consider the record of this Party when it was in Government, we find that it was really prepared to do much the same, if not to go even further than the Liberal Government has gone in changing the Crow rate.

I can quote a few little excerpts from a book by a writer named John Gallagher, entitled "To Kill the Crow".

Mr. McKnight: Do you guy gives royalties, Terry?

Mr. Sargeant: No, but it is very worth-while reading. I would recommend it to all Hon. Members, particularly the prairie Members of the Conservative Party to my right. He points out that in all the Provinces, the provincial Conservative Parties have been supportive of changes to the Crow. The former Lyon Government in Manitoba was definitely in favour of changing the Crow. The current Conservative Government in Saskatchewan has sort of nicely pussyfooted around the issue and has basically not been terribly supportive of maintaining the Crow rates, even though it hedges its bets.

In Alberta, Arnold, you know—

Mr. Malone: Alberta bound.

Mr. Sargeant: —what the Lougheed Government's position is on the Crow rate. It is definitely in favour of killing the Crow rate. We all know that during the Conservative Party's term of Government, it was preparing to introduce substantially the same piece of legislation as we have before us today, a rather bad piece of legislation.

If the Conservative Opposition in the House really wants to stop this legislation, if it really wants to stand up for the farmers in western Canada and in Quebec and, really, by extension, the farm machinery manufacturers and steel companies in Ontario, as well as the iron ore companies in different parts of the country, it could do it, but I rather doubt that it will.

An Hon. Member: They are committed to multinational corporations.

Mr. Sargeant: Exactly. The Conservatives are committed to the multinational corporations. They are committed to the CP rail. I am reminded that between 1978 and 1980, for those three years, CP's companies, including Algoma Steel, Canadian International Paper, Canadian Pacific, Cominco, Dominion Bridge, Fording Coal, Maple Leaf Mills and Pan Canadian Petroleum, donated $190,257 to the Conservative Party.

Mr. Malone: And not one penny to the NDP.

Mr. Sargeant: And not one penny, I am very proud to say, to the New Democratic Party. Therefore, we know where the Conservatives' votes will be. Perhaps, in some perverse way, they will nevertheless be supporting the Liberal Government in its efforts to change the Crow rates, in its efforts to put more money into the pockets of Canadian Pacific enterprises.

Mr. Thacker: Why is it that you want the payment to go to the railways?

Mr. Sargeant: I am reminded that the Tories can ring bells in the House for a number of weeks for other corporate welfare bums. They can ring bells in the House for weeks in the interest of the oil companies.

Some Hon. Members: But not for the farmers.

Mr. Sargeant: But not for the farmers.

Mr. Thacker: Why do you want it to go to the railways? Tell us that?

Mr. Malone: Guaranteed annual income for the railways, NDP.

Mr. Thacker: I think you'd better put that hat on.

Mr. Sargeant: The twisted logic that one sees around the whole debate is amazing.

Mr. Malone: And hears.

Mr. Sargeant: Oh, yes, and hears from Conservatives and hears from Liberals opposite. We hear how this is to create tens of thousands of jobs, how this will be a big economic stimulus for the country. They speak of putting billions of dollars into the economy of Canada because of the Crow changes. Where is the money to come from? I cannot take money out of my right pocket and put it into my left pocket and suddenly be richer.

Mr. Malone: You don't have any right pockets.

Mr. Sargeant: Where is the money which is to stimulate the economy to be found? It must come out of the pockets of other Canadians. If it comes out of the pockets of prairie farmers, how is that to help the manufacturing industry in Ontario? How is that to help the consumer on the Prairie when $600 million a year is taken out of the economies of the prairie Provinces? I am astonished by some of the twisted logic that the Liberal Government has used to support its side of the debate on the Crow issue.

Mr. Pepin: One billion dollars added every year.

Mr. Sargeant: The Minister says, "One billion dollars added every year", but I ask the Minister, where is the $1 billion to come from? It will come from the taxpayers of Canada and from the prairie farmers of Canada.

Mr. Pepin: Yes.

Mr. Sargeant: It might help one sector of the economy, but it will hurt another sector of the economy. On balance, it ain't

gonna help the country very much at all. Unfortunately, the big losers will be the farmers.

Mr. Pepin: No, no.

Mr. Sargeant: The farmers cannot afford to pay any more money in their costs.

Mr. Pepin: I listened to you all day and you all say the same thing.

Mr. Sargeant: If further costs are added to the farmers' operations, those farmers will go belly up. The economy of the country will not benefit in the long run.

I will leave the subject there. Perhaps at some other point in the debate I will have an opportunity to carry on and make some other very well founded, very sensible points and, hopefully, try to pound some sense into the heads of the Government Members opposite.

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, it gives me great pleasure to be able to participate in the debate tonight and to respond to some of the comments made by my colleagues to my right, the Progressive Conservatives, and then of course I will also have some time for the Government as well with regard to this issue.

First, I would like to answer some of the immature ravings of various Conservative backbenchers about the way in which the New Democratic Party is somehow responsible for the defeat of the Conservative Government in 1979. I have said before that I think it is about time the Conservative Party put that issue behind them and realized once and for all that it was they who lost the election of February 1980 for themselves and not the NDP. I thought they had done this at their convention a couple of weeks ago.

• (2000)

Indeed, we moved the traditional motion of non-confidence as we were expected to move after the budget in December, 1979. We would have been criticized had we not moved such a motion. As we all know, the Government fell. That did not mean that the Progressive Conservative Party had to proceed to lose the election. Other Governments have been defeated in the House and have gone on to win subsequent elections. I really believe that it is a matter of growing up and taking responsibility for your own political destiny. The Conservatives should finally come to the conclusion that perhaps they did something wrong. In fact, I think they did come to that conclusion except that they heaped all of the blame on one man, their leader.

If there was something intrinsically wrong with the defeat of the Clark Government, they have added insult to injury by themselves getting rid of the very political person about whom they are so self righteous when talking about the NDP role. I just wanted to put that on the record. I am responding to what has already been said in the debate and in that sense I believe I am staying within the bounds of relevancy.

Every once in a while there are matters debated in this House on which Members who oppose a particular Government proposal have occasion to make predictions about the consequences of the particular legislation. Since those consequences can only happen in the future, they are always in the position of being unable to prove that what they say is the case. Therefore, it is a matter of trust and making a judgment about what the consequences of a particular piece of legislation will be. For our part in the House, we have made that judgment about what will happen to western Canada when the Crow rate is tampered with.

We share the judgment of former Chief Justice Hall that the minute one begins to tamper with the Crow rate an entire way of life in western Canada is being placed in jeopardy. That is what we are protesting in our debates. We cannot prove that this will happen, just like we could not prove in 1966 that the arguments for freeing up the interest rate would lead to higher and higher interest rates and mortgage payments. We could not prove the argument at that time that greater competition leading to even lower interest rates was wrong. However it did turn out to be wrong.

When we argued against the pre-build of the southern portion of the pipeline in 1980 and that the other portion of the pipeline would never be built, we could not prove that. But three years later that pipeline is yet to be built and that pipeline in all likelihood will never be built. Those who believed the Government then, that is the Conservative Party, and those who believed the Government in 1966, that is the Conservative Party, have been proven wrong on both of those issues.

We could not prove in 1977 that proceeding to block funding for medicare would mean the gradual erosion of medicare in Canada, yet it has. We could not prove it at that time. Again, the Liberals and Conservatives stood together.

We admit that we are at somewhat of a disadvantage. And even though we might lose this one we will not be comforted by the consolation of being able to say 10 or 15 years from now that we told you so and we were right all along; that first it was the Crow rate and then the Canadian Wheat Board, and on until we saw the eventual destruction of the economic structures that were built up over the years in western Canada to give western Canadians more control over their own economic life. That is what we are debating here tonight.

What is wrong with the Progressive Conservative position? We are glad to have them on the side opposing this Bill, although weakly and in a somewhat token manner. One day they help and the next day they decline. They are unable to make a decision. It is clear that the Conservatives would very much like to have this legislation passed so that this issue will be out of the way before the next election. As the Hon. Member for Selkirk-Interlake (Mr. Sargeant) so clearly pointed out, "He who pays the piper calls the tune." The same fellow who pays the Liberal Party is the one who pays the Progressive Conservative Party to the tune of approximately $200,000 each. They know that they will have to follow the same orders from the CPR. They want the Liberals to follow

those orders so that they can travel throughout western Canada talking out of both sides of their mouths; they are not for the Crow rate, they would tamper with the Crow rate.

The Acting Speaker (Mr. Blaker): Order. On occasion Hon. Members interrupt on what they refer to as a point of order and it becomes evident later that it is not a valid point of order. I do not want to predispose any views but I hope Hon. Members will try to raise only those points which they firmly believe are valid points of order. The Hon. Member for Lethbridge-Foothills (Mr. Thacker).

Mr. Thacker: Mr. Speaker, my point of order relates to the relevancy of the comments. Perhaps the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) would say why his Party wants $650 million to go to the railways.

The Acting Speaker (Mr. Blaker): Order.

Mr. Thacker: Why the railways rather than the people?

The Acting Speaker (Mr. Blaker): Order.

Mr. Blaikie: Mr. Speaker, I was saying that of the Conservative Party of Canada have made it clear that they would tamper with the Crow rate. The only difference between them and the Liberals is that they would tamper with it somewhat differently. The details of this Bill would be different under a Progressive Conservative administration but the principle would remain the same. That principle would be capitulation to the blackmail that the railways of Canada have been practising on the economy and people of Canada for some time now, in spite of all the subsidies for rail line improvement and in spite of all the hopper cars that have been given to them.

If the Progressive Conservative Party was in Government it would make the same moves. Only the details would be different. That is why we see Hon. Members weaving in and out of the debate and in and out of opposition to the Bill we see before us. They are torn between opposing the legislation and what they know they would do themselves.

That is why I was even more astounded at the hypocrisy of the Hon. Member for Peterborough (Mr. Domm) who said that we were somehow responsible for the VIA Rail cut-backs. Who has done more over the years to bring discredit to the idea of Crown corporations? Who has most often declared that anything which does not make money can be sacrificed on the alter of profit motive? The Progressive Conservative Party of Canada is the Party that has heaped criticism for years on VIA Rail and passenger rail service in the country. They are the Party who created the political context through which it was possible for the Liberals, finally taking Progressive Conservative advice, to implement the VIA Rail cut-backs. Yet the Conservatives have the nerve to say that we are somehow responsible for those cut-backs. It becomes hard to swallow after a while.

The Liberal Government has the opportunity to show for the first time since I have been here that it has the ability to listen to Members of the Opposition and the opportunity to learn from the energy that we are putting into this debate and our commitment to stop this Bill. A government which does not have any Members in the west should take a second look at what it is proposing to do to western Canada. The Government should rethink this whole Bill through and should drop the whole idea. The Crow rate has to be maintained. The Government can upgrade the railways in a half a dozen different ways and it would have our support in making an attempt to do so. But the Government does not have to change the Crow rate and do this on the backs of Canadian grain producers.

• (2010)

Some Hon. Members: Hear, hear!

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, one cannot help wonder, after listening to the unimaginative, unconstructive, irrelevant remarks presented to this House and to this nation first by the Hon. Member for Selkirk-Interlake (Mr. Sargeant), then by the Hon. Member for Comox-Powell River (Mr. Skelly), and lastly we heard the babblings of the little birds in the birds' nest from Birds Hill.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. McCain: This Government has handled the problems of transportation in this nation irresponsibly. I challenge those people on our left to address the transportation problem.

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) is rising on a point of order.

Mr. Blaikie: Mr. Speaker, I am rising on a legitimate point of order. When I was a kid my mother used to say "Sticks and stones will break my bones but names will never hurt me." Nevertheless, I wish that Hon. Members would stop abusing the name of the riding which I represent by referring to it in the half dozen ways they have a habit of doing. The name of the riding is Winnipeg-Birds Hill. That is what I prefer it to be called out of respect for my constituents, if not out of respect for me, Mr. Speaker.

The Acting Speaker (Mr. Corbin): The point is well taken.

The Hon. Member for Carleton-Charlotte (Mr. McCain).

Mr. McCain: Mr. Speaker, I have no concern. I have the greatest admiration for the people of Winnipeg-Birds Hill. They made an error in judgment, as did a number of constituents in many ridings in Canada. I am quite confident after that speech is circulated in the Hon. Member's area that they will certainly not be repetitive in their erroneous judgment.

Some Hon. Members: Hear, hear!

Mr. McCain: I want to address transportation problems in Canada. If the mainspring in those people who want to interfere with the discussion on transportation would ever unwind,

we would be able to get down to the subject matter with which we are concerned tonight.

Since I arrived in this House in 1972—and long before that—the national problem of transportation has been presented to the Government on your right, Sir, which has been the same government for too long. That problem abounds from coast to coast in Canada. It has deteriorated to the point that one sees wheels that go with boxcars and other cars on the railroad transported from Atlantic Canada to some other assembly point or repair point by trucks. They have travelled through your constituency, Mr. Speaker, and they have travelled through mine by the thousands of truckloads. What is wrong with the national transportation policy when the railroad does not even transport its own wheels? That problem has not been addressed nationally. It is high time that it were.

From the earliest days that I participated in the Standing Committee on Transport we were told repeatedly—not by CP representatives, the pet peeve of those on my left, but by the executive of the Canadian National Railway, one of the stars of the Crown corporations of this land—that unless something were done to assist the railroads with their transportation problems, we, the CN, could not bear up under the losses. That estimated loss was passed on to some members of this committee. It reached $140 million a year for the CNR. But that executive never dared, apparently, to put figures in the report of the transportation committee or in the CN's own report of its losses in dollars and cents.

Let us forget for a moment whether this may or may not be of benefit to the CPR. Let us bear in mind that we have a Crown corporation which serves this nation that needs assistance through this Bill. This had to be addressed either by direct subsidization or by some kind of adjustment to the Crow rate.

We seem to be able to support Crown corporations. I have not heard any of those Members from the NDP suggesting that $1.2 billion is too much for Canadair to lose, yet we are not talking in those kind of figures in this Bill. I have not yet heard the NDP Members complain about the subsidy for that transportation company named Maislin in the form of the free interest rate it got. Nor have I heard Members of the NDP complain that there may be a new investment development corporation and a Crown corporation to take over the Crown deadbeats.

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Winnipeg-Birds Hill.

Mr. Blaikie: Mr. Speaker, I rise on a point of order. I am sure the Hon. Member does not intend to mislead the House, but he will recall that we were the first to bring attention to the recent Canadair troubles. We did it before the Tories brought it up in this particular instance. We also brought the Maislin—

The Acting Speaker (Mr. Corbin): Order, please. That is debate. The Hon. Member for Carleton-Charlotte.

Mr. McCain: The burblings from the birds' nest, Mr. Speaker.

There are things which have to be addressed. We have not addressed the inequities that have developed in the freight costs for the feed industry in Atlantic Canada and eastern Quebec; nor has the NDP. Never has this been mentioned. The Government has not addressed the problem of transportation from Atlantic Canada. I heard not a murmur from the NDP when the express service, so vital to the transportation of fresh fish, was cancelled and the line abandoned in Atlantic Canada. Let us talk transportation and let us quit the burblings.

We had a succession of studies done on behalf of transportation, particularly in western Canada, first the subject was brought forward by the western premiers. Those four premiers for in concert once in their lives agreed that some consideration should be given to the transportation problem in the west. Then there was a study done in 1973 or 1974 by the Western Economic Opportunities Conference. Again, that problem was addressed. There was no NDP support for any consideration of the problem at that time. Later we had the Hall Report. Some recommendations were made, particularly with respect to rail line abandonment. That was never thoroughly addressed by a government. In addition to that we had the Snavely Report which outlined unequivocally the losses of the railroads, including the CNR. It made it obvious that there was no way transportation could continue to exist with losses of that nature. That loss estimate did not come from the Conservative Party. It did not come from the NDP and it has been ignored to date by the Liberal Party.

When it was finally recognized that something had to be done we were presented with an omnibus bill which refuses to allow the subject to be addressed item by item as it should be. The evils of the omnibus bill are with us, and that is one of the reasons this Bill has not made the progress in this House that it otherwise would have made.

As I did when I last spoke on this Bill, I again want to point out that there have been suggestions for amendments to this Bill emanating from this side of the House. Had there been an element of favourable acceptance of the proposals for amendment, we would not find ourselves in a position where by one means or another the Government had to impose closure on our debate.

This Government has just not recognized all the problems that exist. The Government has failed to address the decline in the efficiency and the productivity of the rail system in the last 25 years. I have said repeatedly, as it applies to rail service, there is no service in Canada for which we have continuously paid more in excess of the rate of inflation and received less in the line of proper service than from the railroads of this country. Even the Post Office is lily pure compared to the railroads, as far as I from Atlantic Canada am concerned, Mr. Speaker. These problems have not been addressed by Government, yet they have come to attention through the discontent of the public using transportation services. They have not been addressed.

• (2020)

I am sorry to say that I asked the Canadian Transport Commission to supply me with some estimates. Mr. Speaker, if you are about to cut me off, might I ask for unanimous consent to continue very briefly?

The Acting Speaker (Mr. Corbin): Is there unanimous consent for the Hon. Member for Carleton-Charlotte (Mr. McCain) to continue his remarks?

Some Hon. Members: Agreed.

Mr. McCain: I asked the CTC to supply me with estimates of the cost of the transportation of goods on flat cars. They are the simplest and cheapest kind of vehicle moved on the railroads. I asked what would be the costs on a tonne-mile basis to move a flat car containing 5, 10, 20, 25, 50 or 100 tonne loads. I was promised personally by the Chairman that I would get the Commission's estimate of these costs. That was about five years ago, and I do not have those estimates to this date. I also addressed the fact that the railroads were having difficulty dispatching their cars. Why could they do it better 25 years ago with a pencil, a pad and a telegraph key than they now can with computers? That has not been addressed.

I expected that the Government would address the multimodal problem, and asked whether it could in fact introduce efficiency into the transportation system. We watched in the City of Saint John while the bus company built its terminal downtown, and VIA Rail built its station about three miles away in the outskirts of the city. This could not work on a multimodal basis; but it was going to work for VIA Rail. That was the procedure; Government assistance to build a bus terminal in downtown Saint John and all Government money to build a VIA Rail station some three or four miles away in the outskirts of city. That is the way the Government has addressed transportation problems.

I have watched, as a Member of the House, as the Government said that the MFRA was the greatest thing since sliced bread for Atlantic Canada, but it has cut down its effectiveness. I watched while the Government introduced an intrasubsidy into the transportation structure of Atlantic Canada to assist transportation, industry, agriculture and farmers and fishermen, and that has been withdrawn. The Provinces were told under pressure, "We will give you X number of bucks to do some infrastructure but we will cut your subsidies anyway". That is the way it was addressed.

I challenge Hon. Members of the New Democratic Party to recognize that there are in fact transportation problems in Canada, that the Crow rate is in fact one of them, and that the area of Atlantic Canada which did not send a single NDP Member to this place would like to hear them attack the Government and be protagonists for transportation in Atlantic Canada. That is what we from Atlantic Canada would like to see from the NDP. There has not been a relative word uttered by the last three speakers from the NDP, not a relative word.

We must recognize that the country needs some adjustment to the total transportation package. We can look at greater efficiency of the movement of products in this nation. We need unit trains in some parts of the West to move coal and move grain. Why do we not look at that bay up there in the North of Canada? Why do we not estimate how much we could save if we spent a little money developing that? Why do we not address the problem and get this Bill into a form of which the Minister will say—

Mr. Smith: That is right.

Mr. McCain: Just wait until I have finished; do not interrupt. If you develop your manners, you might be wiser and not get caught out on a limb. Why do we not address the problem?

Mr. Smith: Mr. Speaker, I rise on a point of order. This side of the House had the manners to extend the time of the Hon. Member by giving him unanimous consent to continue.

Mr. McCain: So you could be rude?

Mr. Smith: I do not think we deserve a cheap shot like that. If he repeats it, it will be the last time he gets such an extension.

Some Hon. Members: That is not a point of order.

Mr. McCain: Mr. Speaker, I would recommend a good night's sleep for that gentleman in order to remove a little of the edge of his temper.

Let us address the transportation problem. Yes, unit trains have a place, but are they the only vehicle by which we should transport grain? Tank cars have a place. Is there not also a place for a multi-use car which might bring something back from the ports of Atlantic Canada or from the ports of the Pacific?

Mr. Huntington: Or a pipeline.

Mr. McCain: Or even a pipeline. Why do we not adopt a reasonable position in which the Minister will acknowledge and allow reasonable amendments to the Bill? He could state what those reasonable amendments would be such that we would know the ground on which we walk. Then we would know where we were at. If he knows that amendments should be made, let us at least get the principle of them. Will there be an opportunity for freedom of choice in the West or not? Let us address Canada's transportation problems as we are addressing this single problem.

I thank Hon. Members in the House, including the Hon. Member who raised the point of order, for providing me with an opportunity to conclude my remarks.

Mr. Deans: Mr. Speaker, I rise on a very brief point of order. Might I be permitted to ask the Minister a very short question?

An Hon. Member: No.

Mr. Deans: No?

Mr. Pinard: A long question.

Mr. Deans: That is fine. It has been brought to my attention—

Mr. Dionne (Northumberland-Miramichi): Go ahead, ask him.

Mr. Deans: May I be permitted to ask the Minister a question at this point?

Mr. Dionne (Northumberland-Miramichi): Sure.

Mr. Deans: Am I correct in my understanding of a statement made by the Minister today that it is his intention to impose the changes to the Crow rate immediately upon it receiving Royal Assent and that there will in fact be in Canada during this crop year a two-price freight rate, with some paying less than others?

Mr. Pepin: Mr. Speaker, I wonder if the question is fair. What I said to the press, if that is the reference that is being made, was that everything depends on the date the legislation is passed. If it is passed before August 1, being the beginning of the next crop year, it would be implemented. If it is passed after, obviously it will not be implemented or applicable as of August 1. I said to the press that there would have to be adjustment if the legislation is not passed before August 1; we would have to adjust to new circumstances.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, we have reached a stage in this debate where, with respect to the rulings applied yesterday and the confused state of the House, one wonders whether or not one is in cloud-cuckoo-land. As I recall it, yesterday there was a question in hiatus or deferred by the Chair with regard to a proposal put by the Hon. Member for Hamilton Mountain (Mr. Deans). Then we had an attempt by the Hon. Member to whom is attributable the present motion that the previous question be now put. I distinctly heard the Chair at the time say that such a motion was not receivable, but somehow, although that Hon. Member has not spoken, that question has been received and has fallen into place. This was like an aircraft approaching a major terminal that had been in a staging area. The main question had to be settled, but the proposal was not receivable. Therefore in my respectful opinion it did not exist; it could not be received. Suddenly it finds itself on the table before the House. Here we are debating it. With the greatest of respect, Mr. Speaker, how can a motion which was not receivable at the time suddenly find itself now the principal motion before this House?

• (2030)

Mr. Smith: It was an order.

Mr. Lambert: It was not an order. With the greatest respect to the Parliamentary Secretary to the President of the Privy Council (Mr. Smith), that motion was declared by the Chair as not receivable and could not be put. With the greatest of respect, there is no sense in the procedures of the Chair trying to live in cloud-cuckoo-land. This situation must stop. We have been driven into this. There is no way that a motion, not in a position to be received, could be made at that time. There was no way that the Hon. Member for Rosemont (Mr. Lachance) who proposed the motion could have it brought forward again. One could try that scenario in different situations. You can see the crazy pattern this House would be in. A motion to be received must be made at the right time and under the appropriate circumstances. It is almost as though if I were to suddenly now make a motion, and I know that I cannot make a motion to amend the main motion—

Mr. Smith: Mr. Speaker, I rise on a point of order.

Mr. Lambert: Just make sure it is a point of order and not debate. I do not want debate.

Mr. Smith: I would refer Your Honour to page 26538 of *Hansard* for yesterday where the Speaker is reported as having said:

> The motion has been properly proposed by the Hon. Member for Rosemont. It is in order.

The Speaker ruled that the motion was in order. The Hon. Member for Edmonton West (Mr. Lambert) is now reflecting on a decision of the Chair. He cannot do that. The Speaker has said the motion is in order. We are not to be subjected to analysis of her decision by the Hon. Member. He may not reflect on a decision of the Chair.

Mr. Lambert: Mr. Speaker, there is again the question of whether the Hon. Member can rise and debate if he wishes—

Mr. Smith: It was a point of order.

Mr. Lambert: This is a stupid idea, that any time one disagrees with a Member who has the floor, one may rise on a point of order. It is the usual trick under the guise of a point of order. Whether I reflect upon a ruling of the Chair is not a point of order for the Hon. Member to raise. It is a question of debate. Usually when people from that side rise on a point of order, they do so spuriously. This has to be stopped. This is one of the reasons I am speaking tonight. I want to make sure that Hon. Members such as the Parliamentary Secretary get the idea through their heads once and for all what is a point of order and what is a point of debate. Unless there is a valid point of order Hon. Members must, regardless of the Member who has the floor, allow that Hon. Member to continue to speak and not interrupt. Having said that, there is nothing that says, while I must accept the ruling of the Chair, that I have to agree with it.

Mr. Smith: You cannot reflect on it.

Mr. Lambert: Mr. Speaker, I certainly can do that. I do not have to agree with the ruling of the Chair. After all, there is such a thing as the ultimate. Just to prove the Parliamentary Secretary wrong on his point, that I cannot reflect upon it, let me point out that it is certainly open to me or to any Member of the House, after a ruling by an occupant of the Chair, whoever that person may be, to put down a motion of censure. That is the ultimate reflection. Therefore, there is in reply to

the statement that one cannot comment upon a ruling of the Chair the question, what is a motion of censure but a total rejection of the ruling?

The Acting Speaker (Mr. Corbin): I am not sure what is going on in the House at the present time. The Chair recognized the Hon. Member for Edmonton West (Mr. Lambert) to contribute to the debate on what is generally referred to in this House as the previous question, that the question now be put. It seems to the Chair that the Hon. Member is now debating something which took place a day earlier. First, it is a little late to raise a matter at this stage of the debate. Second, if the Chair is to apply the rule of relevance, as it is charged to do under normal rules of debate, I would invite the Hon. Member to be relevant to the matter now at hand.

Mr. Lambert: Just give me a chance.

The Acting Speaker (Mr. Corbin): With all respect, I will certainly give the Hon. Member for Edmonton West a chance to make his point, but surely it has to be related to the matter now before the House. If the Hon. Member is disputing the conduct of the Chair yesterday, that is an entirely different matter. I would caution the Hon. Member because he is treading, to put it mildly, on dangerous ground. The Chair recognizes that the Hon. Member for Edmonton West is an experienced Member of the House, and I say that with all respect. I will listen to the Hon. Member for Edmonton West.

Mr. Lambert: Mr. Speaker, with the greatest respect to you, and I underline "greatest respect", in its true legal sense which you understand I am relevant. The motion before the House is that the previous question be now put. With the greatest of respect, Mr. Speaker, I have heard speeches today that have roamed from the subject of transportation to breakfast at high noon. The debate was not on the motion that the previous question be now put. Hon. Members were discussing the general subject of transportation. Now I am questioning the precise value of this motion as to whether the previous question should now be put.

• (2040)

The Acting Speaker (Mr. Corbin): I regret to interrupt the Hon. Member, but if that is presently the thrust of his argument, that is quite in order. I have no dispute with the Hon. Member for Edmonton West (Mr. Lambert), but I was led to believe that he was going in an entirely different direction and possibly questioning the conduct of the Chair yesterday. However, the Hon. Member should continue his remarks.

Mr. Lambert: Again, Mr. Speaker, may I say that I have called into question the very being of this motion? Surely to goodness I can call into question the propriety of that motion, just as Hon. Members in the past have questioned in this debate and others the acceptance of a motion when a six months hoist is proposed. We have heard those things ridiculed from the Government side, if Government Members gave attention to the motion, and some did. But that is the purpose of the motion that is before the House. I have questioned the validity of the motion and its origins. I have questioned how it came to be before the House when, in my book, it was not possible for the Hon. Member for Rosemont (Mr. Lachance) to put the motion.

The Speaker has made a ruling. I must accept that ruling, although I do not have to agree with it. This is not withstanding the remarks of the Parliament Secretary to the President of the Privy Council (Mr. Smith) who is, with the greatest of respect to him, a relative juvenile parliamentarian.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member. The Chair has allowed him extra time because of the interventions, but his time has now expired.

Some Hon. Members: More, more. Continue.

The Acting Speaker (Mr. Corbin): Order, please. I notice that there is an Hon. Member in the House who is without his jacket and in shirt sleeves. I thought that I should perhaps point that out.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I am pleased that you did not confuse me with my colleague, the Hon. Member for Spadina (Mr. Heap). I am happy to be afforded this opportunity to speak against the motion to put the previous question, because I believe that limitation of debate on Bill C-155 at this time would not serve the purposes of the Canadian public well.

The changes to the Crow rate that the Government proposes will affect most adversely the fortune of Canadian grain farmers. This afternoon when the House Leader for the NDP asked the Hon. Minister of Transport (Mr. Pepin) some questions, it became very obvious that the Government's intention is to push this legislation through as quickly as possible so that farmers who are busy now and will be again in the early fall will not have any opportunity at all to appear before a committee to make their views known.

I believe, Mr. Speaker, that we must deal with the wider implications of this legislation. For example, in a book called "To Kill the Crow" by John Gallagher, the author includes some quotations from earlier Cabinet memoranda that illustrate that what is happening today is simply the thin edge of the wedge. Mr. Gallagher quotes from a 1981 memorandum as follows:

> A key question to be decided by Cabinet will be how far to go in seeking a remedy for these problems, particularly during the initial period of a modernized Crow regime.
>
> The Minister of Transport will be proposing that, because of the sensitivity of the Crow issue in Western Canada, the initial steps should be fairly limited and cautious. At the same time, the new framework that would be created should be designed to permit continued evolution over a period of years in response to changing circumstances.

This continued evolution that is spoken of, Mr. Speaker, is not something that western Canadian farmers look forward to with any joy.

Again, from a 1981 Cabinet document, Mr. Gallagher quotes:

The arrangements put in place as a result of the negotiations should be made subject to review after a specified period—perhaps four years. At this point, it should be possible to make changes that would accelerate agricultural diversification and other desired results, on the basis of experience gained with the initial set of measures—

Again it becomes very obvious that what we are dealing with in this legislation is the thin edge of the wedge. I think it is of absolute importance that we continue the—

The Acting Speaker (Mr. Corbin): Order, please. The Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) rises on a point of order.

Mr. Forrestall: Mr. Speaker, there are proper times and occasions for the Whips to march up the middle of the aisle of the House of Commons. Right now is not one of those times.

Mr. Manly: Mr. Speaker, I would appreciate it if there could be a little more order in the House.

Let me continue on whether the question should now be put. I think it is absolutely essential that debate on the basic Bill should continue because the people of Canada are just now becoming aware of some of the issues that are involved. For example, some 25 million acres were given to the CPR for the building of the transcontinental railway and for the continued operation of that railway. Many of those lands happened to be Indian lands.

Right now we are facing a situation in which Indian people across the country are having a great deal of difficulty getting some recognition of their rights to some of their own lands. Yet in the 1881 Statute that set up the CPR, the CPR was allowed to march in and have those lands alienated with no respect whatsoever for the aboriginal title. It would be nice if the Indian people who are now seeking some kind of land entitlement could have the same consideration shown to them by the federal Government as was shown to the CPR when the CPR was given its chance to select lands.

The effect Bill C-155 would have on British Columbia is just becoming known. When the changes were first announced, there was fairly widespread recognition of the benefits that would flow to British Columbia from improved rail facilities. As a result of this recognition, Mr. Speaker, spokesmen for the major forestry companies and for the Government of British Columbia indicated their support for the changes because the changes would lead to the upgrading of the railway. But there are a couple of things that must also be taken into account. The first of these is the fact that the higher freight rates that would be charged for hauling grain to Pacific coast ports would make the diversion of some of this grain to United States ports in the Gulf of Mexico very attractive. This would have an adverse effect on the Port of Vancouver. That is one reason why I think the people of British Columbia must think twice before they hastily endorse Bill C-155.

• (2050)

Bill C-155, Mr. Speaker, leaves the 50,000 acres of the Dominion coal lands in the hands of the federal Government and, as you know, these lands were turned over to the federal Government at the time of the original Crowsnest Pass agreement. Now when this agreement is being abrogated, I believe it is only just that these lands, which represent some of the finest coal lands left in British Columbia, should be returned to the people of British Columbia rather than be left to the mercy of an Order in Council from the Cabinet.

As we consider the need to continue this debate, I believe it is important to perhaps pay tribute to the Hon. Member for Regina West (Mr. Benjamin) who, more than anyone else, has helped keep this issue alive, not only here in this House of Commons, but also right across Canada. By his campaigning for the cause of the prairie farmers and for the cause of the small communities across the Prairies he has done a great service to people all across Canada. We of this Party believe that an injury to one part of the nation is an injury to the entire nation. We will not see harm done to the fabric of prairie communities, because those communities will not be destroyed without that having an adverse effect on the total fabric of the nation.

I believe it is important, then, Mr. Speaker, that we have a chance to postpone any final vote on this legislation until the farmers have had an opportunity to appear and voice their views. I urge the Government again, in the words of our House Leader, to split this Bill. I would like to read a letter written by that Hon. Member on May 19 which indicates our basic position, and I quote:

Dear Mr. Minister:

It is the opinion of the New Democratic Party that Bill C-155 is an unacceptable omnibus Bill that must not proceed in its current form. At second reading, Members of Parliament are required to vote on the principle of the legislation. With only a single vote, Bill C-155 would require Members to pass judgement on three distinct and vital issues. Attempts to speed legislation through the House in this form have not proven successful in the past and they result in unnecessary confrontations in the Chamber.

We propose this basic division of Bill C-155

1. Upgrading rail transportation

2. Releasing coal lands

3. Grain freight rates

It is not possible to deal sensibly with legislation that interlinks these complex issues. Our initiative prompting a vote at the first reading stage of Bill C-155 indicated our dismay at the Minister of Transport's comments outside the House which foretold the intention of the Government to proceed with an omnibus Bill.

Our House Leader concluded by saying:

I am available to meet and discuss this with yourself and the House Leader for the Official Opposition and await your convening such a meeting.

The Hon. Members of our Party, Mr. Speaker, would still appreciate this kind of consideration from the Government. This Bill should be split. It deals with three separate principles. We should not be asked to deal with all of them at the present time. I feel there is a need for continued debate on Bill C-155. Our Party does not want to vote on it now. I therefore urge Hon. Members not to accept the motion that the question be now put.

The Acting Speaker (Mr. Corbin): Is the House ready for the question? The Hon. Member for Humboldt-Lake Centre (Mr. Althouse).

Western Grain Transportation Act

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, it is with no great pleasure that I rise tonight to speak at the end of the debate on Bill C-155.

This Bill does three things. It does away with the historic Crow rate, which is a right that has existed for Canadian farmers since 1897, a right which existed to attract people into parts of this country which were far from cheap ocean transport, without a great deal going for them in terms of climate.

As well this Bill has some proposals to improve the transportation system of this country, which I do not believe anyone is arguing about. There were some arguments put forward by some Hon. Members of my Party to point out better ways of spending the same amount of money; ways which would retain more control of the CPR and CNR and work toward the good of the people of Canada, ways which would get more "bang for the bucks", so to speak.

The third part of the Bill which is before us deals with the Dominion coal lands, a block of coal which has a current value of some $480 billion.

As the agricultural spokesperson for my Party, I considered at this stage of the debate of doing a thorough analysis—and I have the notes here—of what this kind of proposal does to farmers in western Canada, eastern Canada and in central Canada. It forces grain producers to give up some privileges to livestock producers in the way that it shifts production of livestock from one corner of the country to another in a vain attempt to give the impression that there is some economic development going on because of this policy. However, I have decided to use what time remains to me, Mr. Speaker, not to talk about what this policy does to the farmers of this country, but what it does to us all as Canadians.

Since this is the principal stage of debate where we should speak about principles I believe it is time to take a few moments to reflect on what the railway and transportation policy has attempted to do in this country. We have a kind of geography from which it is very nearly impossible to carve a country, Mr. Speaker. This was not a place where you would look at a map, understand the geography and decide that this is where a country should be. It makes absolutely no sense, geographically, economically or politically to have a country where we have this country of ours, Canada. It is held together because we are a stubborn race which insists on imposing East-West guidelines, East-West transportation and East-West communications, in spite of a more natural tendency for trade, communication and our social activities to go North-South.

What this proposal does is cut one of the fibres which holds this country together. It is a policy which was used to populate the West, the Prairies. It is a policy which we are now watching this Government abandon. It is an important move, Mr. Speaker, because it says to the people of Canada that a promise is no longer a promise and a deal is no longer a deal. It is killing the trust which has to exist if this country is going to continue as a country. It is taking away the one basic policy which held western Canada together, which created an incentive for people to go and populate that area. What is happening is very similar to what would happen if some Government someday—God help us from such a Government—came along and said, "We have done all the economic studies. Bilingualism costs the country so many millions of dollars, so let us do away with bilingualism". The reasoning and logic is very similar here. The Government has brought in some economic thinkers who do not understand what makes the country tick, what holds it together, why it exists. It has looked at a very narrow item, has decided it is costly and therefore it should go. It has ignored what that does to the other minorities which exist in this country, not only Francophone minorities, but the Indian people who also had deals which were supposed to last into perpetuity, as long as the rivers shall flow and the grass shall grow. Here we are taking a proposition that was to last into perpetuity and the Government is saying, "We do not like it, we will break it and not pay any attention to that part of the country. We will give up on the East-West ties that bind this country together and introduce a policy the economics of which will force us to trade in a more North-South pattern". If this policy is implemented, transportation from western Canada will no longer have an economic reason to go through the St. Lawrence Seaway, it will go south to the Mississippi River system. It will take away jobs from the people of the central part of the country where they are now, and there is no way this country can survive such a policy.

• (2100)

This Bill should not pass second reading tonight. It needs more time. Therefore, I move, seconded by the Hon. Member for Winnipeg-St. James (Mr. Keeper):

That this House do now adjourn.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Corbin): Call in the Members.

The House divided on the motion (Mr. Althouse) which was negatived on the following division:

(*Division No. 362*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Carney (Miss)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cooper
Corbett
Crosby (Halifax West)
Crouse
Deans
de Jong
Dick
Domm
Ellis
Epp
Fennell
Forrestall
Fraser
Friesen
Fulton
Gass
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Heap
Hovdebo
Howie
Huntington
Jarvis
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lambert
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKenzie
McKinnon
McKnight
Miller
Mitchell (Mrs.)
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Ogle
Orlikow
Paproski
Parker
Reid (St. Catharines)
Roche
Sargeant
Schellenberger
Scott (Victoria-Haliburton)
Skelly
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Wright
Young—91.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blaker
Bloomfield
Bockstael
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Flis
Foster
Fox
Frith
Garant
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Irwin
Isabelle
Ittinuar
Johnston
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McRae
Nicholson (Miss)
Olivier
Ouellet
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Turner
Veillette
Weatherhead
Yanakis—119.

● (2300)

Madam Speaker: The motion is defeated.

Mr. Benjamin: A point of order, Madam Speaker.

Madam Speaker: Would the Hon. Member resume his seat, please? It is past eleven o'clock and according to Standing Order 45 I must now go to the motion to adjourn the House.

Some Hon. Members: Oh, oh!

Mr. Benjamin: He voted and he was not entitled to do so.

Mr. de Jong: Madam Speaker, he was not entitled to vote.

Madam Speaker: Order. I will hear the Hon. Member's point of order tomorrow. I cannot hear him tonight. The question, therefore, is that this House do now adjourn.

Mr. Benjamin: One of the Liberals voted improperly, and that is what I am talking about. He came in after.

An Hon. Member: What is going on?

Madam Speaker: It is eleven o'clock.

Mr. Benjamin: I cannot help that.

Some Hon. Members: Oh, oh!

Madam Speaker: It is past eleven o'clock. I must now go to this motion.

Mr. Nielsen: A point of order, Madam Speaker.

Madam Speaker: I can hear points of order tomorrow, I can hear points of order tomorrow. It is now eleven o'clock and I must go—

Mr. Nielsen: A point of order, Madam Speaker.

Madam Speaker: I will hear them tomorrow. It is past eleven o'clock. I must now, according to Standing Order 45, go to the motion that this House do now adjourn, and hear the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall).

Mr. Nielsen: A point of order, Madam Speaker; a point of order.

Madam Speaker: I just told the Hon. Member that it is past eleven o'clock and I will hear his point of order tomorrow.

Mr. Nielsen: Madam Speaker—

Madam Speaker: I am sorry, I did not recognize the Hon. Member. I have now told him that I cannot hear his point of order tonight; I will hear it tomorrow. The Hon. Member for Dartmouth-Halifax East.

Mr. Nielsen: A point of order.

Madam Speaker: The Hon. Member for Dartmouth-Halifax East has the floor.

Mr. Nielsen: A point of order, Madam Speaker.

Madam Speaker: The Hon. Member must understand that my dilemma is not that I do not want to hear the Hon. Member's point of order. I do, but it is past eleven o'clock. In all fairness I have to go now—

Some Hon. Members: Oh, oh!

Madam Speaker: —to what the Standing Orders indicate that I should do, that this House do now adjourn. I must hear, in all fairness, for the time he has allocated to him, the Hon. Member for Dartmouth-Halifax East.

Mr. Nielsen: Madam Speaker, time and time again you have heard points of order; time and time again you have heard points of order.

Mr. Stevens: He has a point of order, Madam Speaker.

Mr. Nielsen: Madam Speaker, time and time again you have heard points of order. Madam Speaker, I have two very straightforward points of order.

Some Hon. Members: No way.

Mr. Nielsen: Madam Speaker, I have a point of order.

● (2305)

Madam Speaker: Order. It is past 11 o'clock. Points of order may be dealt with tomorrow. I refused to hear the Hon. Member for Regina West (Mr. Benjamin) on a point of order. I cannot hear the Hon. Member for Yukon (Mr. Nielsen). I have to be fair.

Mr. Nielsen: Madam Speaker, it pertains to the vote. There are two very simple points of debate; two very brief, calm, simple points to make. One pertains to the vote of a Member whom the Hon. Member for Regina West saw come into the House after the vote had started. I think he should be heard. The second point is, with great respect, that despite my excellent French, I did not hear the translation of the number of the vote on each side. I would like, Madam Speaker, to hear the numbers in both official languages, and I think the Hon. Member for Regina West should be heard with respect to the illegality of the vote.

Some Hon. Members: Hear, hear!

Madam Speaker: Normally this ought to have been translated. Although the numbers were given to me by the Clerk only in French, the yeas 91 and the nays, 120, I did say in English that the motion was defeated. I will now hear the Hon. Member for Regina West on the supposed irregularity on the vote.

Mr. Benjamin: Madam Speaker, if it was an 11 o'clock adjournment, then the result of the vote was announced after 11 o'clock. The Hon. Member for Saint-Hyacinthe-Bagot (Mr. Ostiguy) literally crawled in on his hands and knees during the vote, and recorded his vote. I do not give a darn whether it is after 11 o'clock or not, it is an improperly recorded vote, purely and simply.

Madam Speaker: The Hon. Member need not make a speech about it. I did not see the Hon. Member.

[*Translation*]

Could the Hon. Member for Saint-Hyacinthe-Bagot (Mr. Ostiguy) perhaps tell me whether he entered the House when the vote was already under way?

Mr. Marcel Ostiguy (Saint-Hyacinthe-Bagot): Yes, Madam Speaker. When I entered the House, the vote had already started. The bus I took at the Confederation Building to come up to the House was a few minutes late. I would therefore ask the Chair to delete my name from the list of Members who participated in the vote.

Madam Speaker: The vote of the Hon. Member for Saint-Hyacinthe-Bagot is therefore struck from the list of Members who voted against the motion, and consequently, the number of nays is 119.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CANADIAN NATIONAL RAILWAYS—ACQUISITION OF CAST SHIPPING GROUP—GOVERNMENT APPROVAL. (B) POSSIBILITY OF FREIGHT RATE WAR ON ATLANTIC SHIPPING ROUTES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I have the peculiar responsibility now to address a question that I posed some time ago. Because of events that took place earlier today at an in camera committee meeting, I rose in my place at five o'clock—I will wait, Madam Speaker, until Hon. Members have gone back to the barbeque to which Conservative Members were not invited—

● (2310)

An Hon. Member: And the bar.

Mr. Forrestall: And the bar which Conservative Members have been denied for some time now.

As I was saying, Madam Speaker, before it got rather noisy—

An Hon. Member: You are always drunk.

Some Hon. Members: Oh, oh!

Mr. Forrestall: Madam Speaker, I rise only to indicate to you that at five o'clock this afternoon I had indicated that because of the events of this morning at an in camera meeting of the Standing Committee on Transport, during which Members of the Standing Committee on Transport were afforded a full and very frank explanation by Dr. LeClair, the President of Canadian National Railways, of the circumstances involving their negotiations with CAST for its takeover and assumption of business, for me to rise and engage in debate during this traditional period of time might in fact compromise or jeopardize the possibility of any further negotiations.

As a result of that and as a result of the very frank and full exchange we had, and while we are not entirely happy but are more than satisfied with the level of exchange—and I am sorry and apologize to you, Madam Speaker, that you were not advised of this earlier—at five o'clock this afternoon, I sought and received unanimous consent to withdraw my question. I simply advise you of that now, Madam Speaker, and that I tend to regret a comment that was made a moment ago.

FORESTRY—REQUEST FOR EXTENSION OF COMMITTEE'S TERMS OF REFERENCE. (B) REQUEST FOR EARLY REFERRAL TO COMMITTEE

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, my rising this evening is pursuant to the question which I asked on June 15 of this year, and I wish to expand somewhat on my presentation of that evening.

Robert Keen, Director of Statistics in the Canadian Forestry Service, has said that of all the developed countries in the world Canada has the poorest forest inventory. Canada's forests are subject to a dangerous myth; the myth that our trees will go on forever no matter what we do.

Of the 800,000 hectares of timber the industry harvests each year, a mere one-quarter is artificially replanted or seeded. Given that another quarter or so of that will regenerate reasonably well on its own, the depressing conclusion is that only half of the cut forest each year has a prayer of returning one day. Adding to that the current rash of forest fires, insect invasion and the linking of air pollution, particularly acid rain, to the damage and death of our forests, the industry is in serious trouble.

The Minister of the Environment (Mr. Roberts) recently attended the Canada-U.S. Forestry Services meeting. This attests to the fact that acid rain is a growing contributing factor to the demise of our forests. The major contemporary problem with Canada's forests is a severely reduced supply of harvestable timber. The following quote places the problem in context:

> The forests provide a renewable resource. Until the last decade, however, Canadians have often regarded forests as something to be exploited and have depended too heavily on natural regeneration rather than scientific management for optimal regeneration. We are now suffering the results of this attitude. Much of Canada's high-quality, old-growth forest has been harvested; much that remains accessible is overmature and defective. Fires, insects, disease and wind destroy two-thirds as much timber as is harvested annually. Local shortages of commercially suitable wood have developed in every province in recent years, and conflicts of interest over land use are increasing. One-eighth of Canada's productive forest area has deteriorated to the point where huge tracts lie devastated, unable to regenerate a merchantable crop within the next 60 to 80 years. Each year some 200,000 to 400,000 ha of valuable forest are being added to this shameful waste.

• (2315)

These are disturbing statements. We must come to the realization that the gradual deforestation of Canada will have serious effects on the economy if it is not reversed.

In my home Province of New Brunswick—and I am repeating this for the fourth time in this House—the forest industry is the largest. Some 30 per cent of New Brunswick's employment and 36 per cent of the Province's gross domestic product are forest related. Our Province's forest industry has been devastated by the spruce budworm. The spruce budworm is the most destructive forest insect pest in Canada; the annual wood loss cause by the budworm exceeds that from any other cause. In southern New Brunswick in the 1970s there was a loss of between six million and ten million cord of softwood. This approaches an eight to ten year supply of wood for the principal consumer and employer in that area.

Because of these factors I believe it is imperative that we keep our forest alive. To reduce or deny protection to the forest from the budworm would only have very adverse economic effects on the Province. The basic thrust of the forest protection plan in New Brunswick is to prevent the insect from harvesting the trees, and to permit man to do the harvesting.

The use of pesticides and herbicides is absolutely vital if we want to keep our industry going. These chemicals have been used in New Brunswick during the past 31 years with no proven cases of injurious health effects. Extensive studies are constantly being done to make sure that the safest chemicals coupled with the safest levels of application are used. While everyone associated with the forest industry would prefer not to use chemical insecticides to control the budworm, the consensus view of most experts at this time appears to be that there is no acceptable substitute presently available.

The provincial Department of Natural Resources, like myself, is anxious to see that this issue of forest management is pursued. The industry is using the facilities available to it now, but we need more research and genuine interest in this field. To let a $24 billion a year industry deteriorate slowly, while we watch, would certainly put this country in an economic situation from which it may not recover. We have a renewable resource in its forest products and spinoffs which has the potential of making Canada great again. I urge the Minister of the Environment to actively seek a program which will save this industry now; save it from an extinction that will inevitably come about if nothing is done.

The very broad base on which this industry must be studied has been pretty clearly outlined. We need to address the problem of insects, blight, disease, fire and the lack of reforestation. We must address a long-term policy, bearing in mind that those non-productive lands today may not be productive again for 50 years. And if we add to those lands a million acres

a year, as we are presently doing, it is inevitable that somewhere down the road all of Canada will suffer from the economic suicide which we are committing.

It is, therefore, the responsibility of the Government of Canada to take the lead in a problem which is common to virtually every Province in Canada. To take this lead, Madam Speaker—the first step—I urge the Minister again to please make a meaningful reference to the House of Commons committee on forestry so that it may study, hear evidence and reach conclusions as to what Canada can do to preserve and increase the potential which the forest industry has exhibited for so many years.

[*Translation*]

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Madam Speaker, the Hon. Member inferred that the Minister had been lax in meeting the challenge presented by the forestry industry. That is absolutely false. In the debate held on May 30 in this House, the Minister was able to describe what this Government has done to resolve the most pressing problems in the forestry industry. And it has done a great deal. One example is the development of a forestry strategy for Canada, published in 1981. This situational analysis also provided short-and long-term approaches to meeting the national forestry challenge.

About a year later, in August 1982, the Minister signed a new federal-provincial agreement for the development of forestry resources in Nova Scotia. Under the agreement, the federal Government will be spending $27.8 million to develop private woodlands in the province. A few weeks later, the Minister became responsible for subsidiary agreements in the forestry industry, previously administered by DREE, and for the allocation of $70 million to a wide range of forestry projects, for the year 1982-83. He also undertook to negotiate similar agreements with the other Provinces. To that end, he published the first major plan of action for the implementation of the Canadian forestry strategy, namely the policy statement entitled "Summary Plan for Forest Renewal". That document will serve as a background for the negotiation of agreements with the other Provinces. Such agreements will lead to a gradual increase in federal expenditures to the point where they are expected to reach in 1987 a minimum $130 million each year.

The Government has implemented a second plan of action with respect to its Canadian forestry strategy. What is involved here is a support program for the six forestry colleges and faculties in Canada. I am proud to repeat today that this Government has committed $15.5 million up to 1987 to help forestry faculties upgrade the level of education and research at the graduate and post-graduate levels.

I ought to mention a third action plan which has just been launched with respect to research and development. First of all, the Government and several provinces have signed forestry research coordination agreements which have already enabled us to identify and coordinate forestry research requirements and priorities. I am pleased as well to point out that, thanks to the Government's Special Recovery Program, the basic research infrastructure of the Canadian Forestry Service will be expanded earlier than expected. An investment of nearly $60 million has been earmarked for expanding research laboratories in Victoria, Sault Ste. Marie and Quebec City, and for building new research facilities in Fredericton.

Madam Speaker, I conclude by saying that the Minister of Environment (Mr. Roberts) has certainly not wasted any time to meet the forestry challenge, and that the Government has established a solid basis for the major action programs which are needed.

Madam Speaker: Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 11 o'clock.

At 11.23 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, June 22, 1983

The House met at 11 a.m.

• (1105)

[*English*]

BUSINESS OF THE HOUSE

DETERMINATION OF PREVIOUS QUESTION

Madam Speaker: Order, please. I understand that there have been some questions about the statement that I made in the House about the previous question. I would like to clarify that statement for the benefit of Hon. Members. On June 21 I did say that the motion on the previous question is not closure because, after the House votes on the previous question, the debate on the main question will, of course, be resumed. I should have added that it will be resumed, but only if that order is revived.

I would like to quote from the study in the procedural paper which we have prepared on the previous question, explaining what the previous question is all about. It states, "It is designed to limit debate, since until it is decided, it precludes all amendment to the main question."

That is the second point I had made on June 21, that is, that when the previous question is put, this is done only in order to prevent the proposing of new amendments, and that is the exact object of the previous question, to preclude further amendment and to deal immediately with the motion. If carried, thus resolving that the original question be now put, it forces the House to an immediate decision on the main question, in accordance with Standing Order 56(2), which states:

> If the previous question be resolved in the affirmative, the original question is to be put forthwith without any amendment or debate.

I hope this clarifies the statement that I made in the course of some points of order, I believe, which were raised on the previous question.

Mr. Lewis: I rise on a point of clarification, Madam Speaker. We were in fact wondering about your remarks and trying to relate them to the rules. In other words, this form of closure that the Government is using will mean that, immediately after the vote on the previous question, Your Honour will then call the vote on second reading unless, of course, the Government should reconsider and negative the vote on the previous question.

If there should be a change of heart on this closure matter, and the Government should vote against the motion of the Hon. Member, which was not moved by an Hon. Member on the front benches, if it were in fact to change its mind and negative the motion, Your Honour is saying that second reading debate would then be revived the next day and that at that point there would be a chance for further debate. However, the way it stands now, if the Government votes for closure by approving the motion, it will then cut off debate.

• (1110)

Madam Speaker: Well, that is where I think the Hon. Member has been a bit responsible for the confusion by calling the previous question "closure".

Some Hon. Members: Oh, oh!

Madam Speaker: Be fair. I was answering the matter of closure in my remarks rather than really explaining what the previous question was, so that is why the statement was not complete. What the Hon. Member says is right; if the matter of the previous question is resolved in the affirmative, then we proceed to take action on the main motion.

Mr. Lewis: Thank you very much for the clarification, Madam Speaker. I am sure the people of Canada will call it closure.

Some Hon. Members: Oh, oh!

Mr. Deans: Briefly, Madam Speaker, last evening after the taking of the vote a question arose regarding whether the vote was accurate or not. I wonder if you would be kind enough to take into consideration that, if a point of order arises out of the vote itself, the vote is not complete until the point of order has been heard and ruled upon, notwithstanding the time of day.

Madam Speaker: Well, you have to accommodate and adjust several Standing Orders. The point of order was raised once the vote proceeding was finished.

Mr. Deans: Well, we were trying to—

Madam Speaker: Yes. When the result of the vote had been given, everything seemed to be terminated as far as the Chair was concerned. Then the point of order was raised. The Chair assumed, perhaps wrongly, but since it was past eleven o'clock, the Chair assumed that the point of order was dealing with something else. That is not surprising because several points of order had been brought up during the day.

The Chair has the responsibility to move the House from one proceeding to the other. In all fairness to the Members who wanted to participate in the adjournment debate, at eleven o'clock the Chair had to give these Members that time. The Chair did not want to take away any of their time. Therefore, at eleven o'clock, since I assumed the point of order would be

about something else, not about the vote—the vote was finished and it seemed all right—the Chair protected the three Members who were to speak after eleven o'clock.

The Member's point is well taken, but he also has to remember that once a proceeding is started it is not to be interrupted, and that goes for votes. The voting procedure, once it has started, should not really be interrupted, and the Hon. Member will remember we did have a problem with that at some point.

Mr. Deans: Madam Speaker, I would not want anyone to take my raising this as in any way a criticism of the way it was handled. My concern is that we should know the procedure to follow. I can understand that at the adjournment hour, whatever it is, there is confusion. My only concern is that I want it to be clear that, if there is a point of order arising out of the taking of the vote, the vote is not complete until after the point of order has been heard. I think that is what the Chair said.

The timing is sometimes very difficult because it is almost impossible to be heard on a point of order until the Chair has heard the vote. We cannot tell how many people have voted one way or the other until the announcement is made. Therefore we cannot tell whether the totals the Chair has added up include the Member who voted improperly, or not. My only point is that in order to deal with it in a fair and equitable way, we must wait until the announcement of the vote takes place to determine whether the Chair has included the Member or Members who have voted improperly, before we can legitimately raise the point of order that someone voted who should not have done so. Therefore we must raise it after the announcement because, if it were done prior to the announcement, we would be prejudging whether or not that Member had been counted.

• (1115)

Madam Speaker: That is perfectly true. However, I must tell the Hon. Member that in the course of proceedings upon taking the vote I could not allow any points of order. The Chair must wait until that proceeding is completed. That is what we did last night.

The Hon. Member is raising a point which I recognize and take into account. I do not think it is necessary to expound a principle on this. The Chair always listens to points of order. At any rate, had I not listened to points of order last night past eleven o'clock, we could have dealt with it again this morning. We could have had the record of the vote corrected. It was not definitive because something could have been done about it. It was neater to have done it last night, and I thank the Hon. Members who raised the point last night.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed, from Tuesday, June 21, 1983, consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport, and the Motion of Mr. Lachance (p. 26521).

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, consensus or closure—

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

Mr. Smith: Mr. Speaker, on a point of order, I believe the Hon. Member has already spoken in the debate on the previous question.

The Acting Speaker (Mr. Corbin): Order. There may be some confusion as to the right of the Hon. Member for Mackenzie (Mr. Korchinski)—

Mr. Smith: There is no confusion. He is on the list.

Mr. Hnatyshyn: Sit down.

The Acting Speaker (Mr. Corbin): Order. I anticipated this situation, if the Hon. Member will listen for a moment. It was obvious the other day when the Hon. Member for Rosemont (Mr. Lachance) moved his motion that the Chair reserved putting it to the House at that point. Debate continued on the main motion and the Hon. Member for Mackenzie, at that stage of debate, wes recognized to speak to the main motion. In the course of his remarks he moved the adjournment of the debate. The vote on that was proceeded with later in the day. Following the vote, the motion proposed to the House was read from the Chair at that point. It is at that point that it was formally before the House. Therefore the Hon. Member for Mackenzie was not addressing his remarks to the previous question but to the main motion. The Chair has no choice but to recognize the Hon. Member for Mackenzie to speak to the motion moved by the Hon. Member for Rosemont.

Mr. Smith: Mr. Speaker, of course, I accept that ruling.

Mr. Epp: Sit down then.

Mr. Smith: I want to be fair, and I hope Hon. Members will be fair to me. I rose because I was going by a list of those who have spoken on the previous question which was provided to me by the Table.

The Acting Speaker (Mr. Corbin): Order. There is no such list, either formally or informally. The Table officers are at the disposal of the Chair. They are the advisers of the Chair. While they may well establish certain lists from time to time to assist the Chair as to who has spoken and who may want to

speak, that in no way should be regarded as an official list. I trust the Parliamentary Secretary appreciates that point. It has no formal standing in the House. The only list by which Hon. Members ought to be guided is the list of speakers printed in *Hansard* every day.

• (1120)

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I rise on a point of order on this last comment made by the Parliamentary Secretary to the Government House Leader. I think he owes an apology to the Table because hie is impugning people who cannot speak back. I think that is most improper in this assembly.

The Acting Speaker (Mr. Corbin): I appreciate the Hon. Member's assistance. The Chair does not feel slighted in any way.

Mr. Munro (Esquimalt-Saanich): No, the Table.

The Acting Speaker (Mr. Corbin): Or the Table. The Chair dealt with the matter of the Table officers. These incidents may happen. I think the Chair owed an explanation to the Parliamentary Secretary and to the whole House. I hope that situation is clear for the future. I do not think there was any undue or harsh reflection on the Table officers. I am sure it was not meant that way.

Mr. Smith: Mr. Speaker, just to clarify the matter, I am in no way reflecting upon the Table whatsoever. I simply mentioned that I had gone by a list which had been provided by them. I am not suggesting that it has any official status. If the Hon. Member for Esquimalt-Saanich (Mr. Munro) would like to look at this list, if he would like me to table it, I would be happy to do so. I am casting no reflections whatsoever. I think it was a misunderstanding that has been cleared up. For anyone to cast aspersions on anybody in this matter would be unfortunate and unnecessary.

The Acting Speaker (Mr. Corbin): May I have one final say on this matter? It is obvious that Hon. Members from time to time seek assistance or direction from the Table officers who are extremely happy and glad to co-operate and be helpful. But Hon. Members should be very careful in their remarks regarding the Table officers. They are not part of the debate. Their conduct is not a matter for reflection. The Chair deals with those matters, and I hope that we can now proceed with the debate.

Mr. Korchinski: Mr. Speaker, you will notice that I started off my remarks by referring to consensus or closure. I did that for a reason. I anticipated the Parliamentary Secretary or someone else might raise a question, and I wanted to put at least that much of my speech on the record in the event that a decision might be rendered otherwise.

However, I thank the Parliamentary Secretary at this particular time for rising. If there was ever any doubt in anybody's mind as to whether or not this was closure, his intervention indicating that I no longer have any right to speak indicates to me, and to anyone else listening to or reading my remarks, that he was under the impression I could no longer speak. That, to me, is closure. They cut off speaking. They cut off the possibility for amendment. That is closure.

There are different forms of closure in the House, as the Parliamentary Secretary well knows, having studied the rules very carefully. He has tried to make use of them from time to time. There is such a thing as agreed timing. There was no agreement from this side that we should cut off debate.

What was the one intervention of the Minister of Agriculture (Mr. Whelan) in this whole debate? It was a notice of motion for closure.

Some Hon. Members: Shame!

Mr. Korchinski: The Minister of Agriculture is cutting off spokesmen for people involved in agriculture by saying that we will close off debate at a particular point. What form it was to take, he did not indicate, but the form that was taken now is a pretty good indication—

An Hon. Member: Louder.

• (1125)

Mr. Korchinski: I might have to speak louder for it to sink in. I hope it does. Eventually it will, I can assure you. I can vouch for that. The Hon. Member makes smart-aleck remarks at this point. That is the only kind of interjection he makes. I often wonder why the Members opposite, the bulk of whom are from Quebec, are so silent. Do they not know anything about the subject? Is that why the Member asks me to speak louder? Those Members do not even sit in the House. They just take off and flock in at the time of a vote. They flock around their Leader.

Is there no one opposite who will take up the challenge to debate? We had an interjection from the Minister of Agriculture (Mr. Whelan) who said that they would impose closure. Is that an indication that there is consensus? This Government promised it would not move on the Crow until there was a consensus. We have now reached the point where the Government is imposing closure. Is that consensus?

Do you, Mr. Speaker, feel that we should not introduce any further amendments? Do you feel that the issue is not large enough? Do you think this is only a regional problem? It affects the West Coast and it affects the Prairies. I often wonder why they call it the Prairies, because we have a lot of forests, rivers, and so on. It also affects central Canada, Quebec, and the Maritimes. It has very broad implications.

Quebec Members were very disturbed in the past that the Government was going to move on the Crow. What has silenced them? Did any one of them rise and give us an indication why they will support closure? The Minister of Transport (Mr. Pepin) owes the Members of this House and all Canadians an explanation. What is he going to do? Where are we moving to? What guarantee do we have from the Government if we move by closure—and I repeat closure—

Mr. Flis: Mr. Speaker, I rise on a point of order. I wish the Hon. Member would check *Hansard,* because Madam Speaker ruled very clearly that this motion was in order and that it was not a closure motion. Madam Speaker made that very clear. The Hon. Member can check that in *Hansard.*

The Acting Speaker (Mr. Corbin): That is not a point of order. We are proceeding with debate. That is a matter of opinion at this stage.

Mr. Korchinski: A rose by any other name would smell as sweet. When historians look back at this debate, they will ask what happened to the Crow. They will ask whether, after 85 years, it died of old age or because it was no longer of any use. History will record that the Crow was choked. Debate on the Crow was choked. It can be called choking, or it can be called closure. I will call it closure. I will tell the people of Canada that it is closure, because that is what it is. The Parliamentary Secretary to the Minister of Transport (Mr. Flis) confirmed that. Closure is taking place even though many, many problems will arise.

• (1130)

To attend this debate which began last week, I had to absent myself from a hearing on rail line abandonment. Rail line abandonment was occurring simultaneously with the attempt to change the Crow to charge the farmer more for transporting grain.

In addition to paying a higher price for moving grain from a point further from their farms, farmers will have to deal with rail line abandonment. If you can believe it, Mr. Speaker, a 13-mile long rail line will be abandoned so that CN would then have to transfer grain an extra 146 miles to get to the same point. Now that is economy! If anyone thinks that we have no reason to continue debating this question, think again, because that is precisely what is happening in the West.

That extra mileage charge that the farmer must add to his cost of operation, is that part of the blending formula of which the Minister speaks? The Minister does not speak. He owes it to the House to tell us whether or not he has made a deal with Members of the NDP. Members of the NDP kept telling us that the Conservatives were making a deal that would make paying either the farmer or the railway optional. What kind of a deal has been cooked up with Members of the NDP? We thought they said they were opposed to it. Now we hear on the CBC that they have made a deal. I wonder what is going on over there between those two. Now who is making the deal, and what are they making a deal for? I thought they were opposed to it. If they are opposed to it, then there is no deal. But what was all that about? The Minister owes it to the House to tell us whether there is or was a deal, or whether there will be a deal with the NDP. What is going on?

Last night we heard from the agricultural spokesman for the NDP. We had to root him out a little bit, but he got up. He was up, but he never commented on the kind of wheeling and dealing that was going on.

An Hon. Member: With the man with the green hat.

Mr. Korchinski: Yes, someone has mentioned the man with the green hat. Instead of wearing a green hat, that Minister should be wearing an engineer's cap from now on. He went to Winnipeg to meet with the rail people there. They all gleefully rubbed their hands together and took a few wonderful pictures, and the people from the railway said, "Well, it is not quite good enough, but it is a step in the right direction." They said this as they smiled all the way to the bank. Of course they should smile because of the guaranteed income, and because Members of the NDP are making deals.

The Minister should change his hats occasionally, I think, if only in the interest of sanitation. Outside of that, I think that maybe an engineer's cap would suit him well.

I think that if the Minister goes to the West he might find out what effect the actions of the Government will have on the West. We in the West have no cost guarantees. We have no guarantees on what the railways will do with their books. Who will inspect those books? What will be the costs?

The Acting Speaker (Mr. Corbin): Order, please. I regret to inform the Hon. Member that his time has expired.

Some Hon. Members: More, more. Continue.

The Acting Speaker (Mr. Corbin): The Chair will put the question. Is there unanimous consent to allow the Hon. Member to continue his remarks?

Some Hon. Members: Yes.

Some Hon. Members: No.

The Acting Speaker (Mr. Corbin): There is not unanimous consent.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I too rise today to add my remarks to the debate on the motion to call the previous question which, by any other term, is clearly closure, because when we vote on this we must move immediately to the main motion on second reading, and that is the end of it.

There has been much debate over this issue, Sir, but I think it is clear that everyone has been trying to convince Government Members to change their views with respect to Bill C-155. I shall try to do this by showing them that it is simply improper within the Canadian context. Bill C-155 is not the Canadian way to solve the problem.

I am sure that Government Members realize that this Party is trying to represent the broad range of views and interests which a Bill like this must reflect. For example, there are the grain producers. The amendments that we fought for, such as the safety net and the removal of the cap, were designed to protect the legitimate interests of the grain producers in the West. But there are other legitimate interests in the West because the West is not a homogeneous, one product region.

There is also the livestock industry, the cow-calf producers, Canadian men and women who own their own farms. There are feedlot operators and other good Canadians who pay their

fair share of taxes and more. There are the livestock processors and there are also those who grow specialty crops, Mr. Speaker.

We seem to think that this Bill will automatically cover all grain in the West. Well, it will not. It covers only Canadian Wheat Board crops, of which there are only six. A few more have been added, but there are many specialty crops that are not covered. Canadian farmers, people who have been in Canada for four and five generations and who have put their whole lives and hearts and souls into the country, will be blocked because of this Bill. They will be blocked because the process is wrong, Mr. Speaker.

We stand for the future. We recognize that there will be changes, and therefore we have addressed our attention to seeing that those changes are made with the best interests of the West and, therefore, of the whole country at heart, because as the regions are strong the whole country will be strong. In this country, there is no reason why every region cannot be strong. The Atlantic region with its fisheries and forests and minerals, Quebec with its enormous hydro-electric power, Ontario with its manufacturing base, and the West with its millions and millions of acres of land and the water that flows from the mountains, these regions can all be strong. We can produce food and livestock, Mr. Speaker, for the entire world. We have barely tapped our potential. Yet this Bill will block that potential, and the Liberal and NDP strategy to put this Bill through will just finish it off.

Contrast our position with that of the NDP, Mr. Speaker. Members of the NDP only really represent one group, the National Farmers' Union. That is a small group of farmers. There are over 150,000 farmers in the West; the NFU, as I recall, has about 3,000 to 3,500 members. When I saw the books of the NFU two years ago, it was $750,000 in debt. It cannot even run its own organization properly, just like the Liberals who are running the country. They both have debts that are truly enormous.

What else have Members of the NDP done about this, Mr. Speaker? They have been betraying the West since 1980. The constitutional proposal was a direct attack on the West, and NDP Members backed it. The National Energy Program was a direct attack upon Canadian companies, upon people who are building the nation and paying taxes to try to make Canada a world power in terms of economic strength and feeding the world, and they backed that Bill. We have since seen the decline and the absolute demise of the oil industry in the West.

What about Canagrex? In spite of the fact that we have had the experience of VIA Rail as a Crown corporation, the experience of Canadair, which is costing union labourers $1.5 billion, the experience of de Havilland—

An Hon. Member: What about the Wheat Board?

Mr. Thacker: I could talk about the Wheat Board if the Hon. Member wants to deal with it. What about Petro-Canada? That corporation has cost Canadians about $7 billion.

An Hon. Member: What has that to do with the Crow?

Mr. Thacker: Ordinary citizens, Mr. Speaker, have difficulty accepting the fact that they have less money in their pockets and less disposable income because of the over 300 Crown corporations. Yet Members of the New Democratic and Liberal Parties got together and created another Crown corporation for agriculture.

Sir, this Bill represents a problem for the West solely because of inflation. At one half cent per ton mile for 70 years, the railways made money, the grain people made money, and there was no distortion affecting the livestock industry or, if there was, it was small enough that the industry was able to cope with it, as were the processors. As a result, people made money for 70 years. Then came inflation which we know was caused by the deficits. The Government over-stimulated the economy this year to the extent of $30 billion. Those deficits lead to inflation and high interest rates, which then lead to collapse. This is exactly what was done dozens of times throughout history. It became a serious problem and the Minister, quite properly, put together a group of 60 or 70 of the finest minds in the West, men who work all the time in agriculture, and they came up with the Gilson proposals. Their suggestion was for 81 per cent to the producers and 19 per cent to the railways.

● (1140)

Mr. Pepin: That is true.

Mr. Thacker: Then the Minister came back with his February statement, called the Pepin proposals. They payment was reduced from 81-19 to 50-50. The groups in the West who would suffer under this distortion said that they could live with it. But then an entirely different group of people, the Liberal Quebec caucus, became involved, and politics entered into it. They said the payment must go 100 per cent to the railway. The NDP agreed absolutely; they want 100 per cent of the payment to go to the railways. It amounts to a guaranteed annual income to one of the largest corporations and perhaps the most wealthy corporation in the world. The NDP wants the payment to go there.

The solution to the western problem was arrived at in the West when some of the top minds got together, but because of politics, and because of the Liberal caucus, it was destroyed, and again the NDP is backing the Government.

We must have this Bill changed, Mr. Speaker. I plead with Liberal Members to change their minds. The Department of Agriculture has filed extensive information which shows that a payment to the producers will not adversely affect Quebec. The Minister of Agriculture in Ontario has said that his studies show that it would not affect Ontario either. For the Quebec caucus to direct that payment be made 100 per cent to the railways rather than to the producers, in the face of the document filed by the Minister of Agriculture, which shows that it will have no effect whatsoever, is simply wrong.

I plead with my colleagues opposite to go to work on the Cabinet and have this changed. If that payment is made to the

producers it gives them some freedom of choice. When they deliver their grain or decide what to produce, they may decide not to ship it by railway but by truck. That would mean that hundreds and hundreds of Canadian owned and operated trucking companies will buy trucks manufactured in Ontario. Farmers will haul the grain to the central railway locations, and trains could go back and forth on a rotation of seven days at the most. By removing the cap at the same time, we could export 40 million tonnes of grain.

Mr. Blaikie: You want to get rid of the branch lines. You have just admitted it.

Mr. Thacker: Mr. Speaker, the NDP wants to keep every branch line the way it is. Members of that Party forget that the branch lines were designed for the horse and buggy days, when a horse could only walk 4.5 miles and back in a day. That is why there was a town and village every nine miles. Now we have roads and we have trucks which can drive 30 or 40 miles quite easily.

Mr. Blaikie: You want to get rid of those towns? Is that what you are saying?

Mr. Thacker: Under the Crow those towns have been going down for years and years. They were designed for the horse and buggy days, but now, with cars and trucks, people are choosing to drive to the larger centres, and there are centres every 30 or 40 miles. That is as natural as growing from a child to an adult, but the NDP is stuck with its adolescent ideology. Members of the NDP dream that if everyone is equal, somehow things are going to be more Christian, more fair. They want equality of result, but we know from the nature of man that some people are smarter, some are more musical than others. No matter what test is applied, some people are better off and some are worse off.

We say that we need a fully competitive system, and that is what the payment to the producer will bring about, Mr. Speaker. It will bring true competition to the West. If a railway gets out of line people will just switch to trucks, to pipelines or anything else, in the future. In that way we will ensure the most efficient operation because the bottom line is that we have to put a bushel of grain at tidewater competitive to the United States, Argentina, and Australia. Those countries are whipping us, Mr. Speaker. If we follow the logic of the NDP and the Liberals, we will be in the dark ages forever.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I rise to speak because I have a particular interest in this Bill. There is an aspect of it which has not been given much attention, and that is its effect on Crown lands. This aspect has been completely ignored in the debate. I am surprised to find that the Government of British Columbia has indicated in a variety of ways that it would be very favourably disposed toward Members of the House from British Columbia who would agree that the Bill should go through.

In the mail I received the text of a statement made by the Minister of Transportation and Highways for the Province of British Columbia when he spoke in Vancouver about Bill C-155 and about the length of thus debate. Thanks to the ten-minute speech rule, a variety of aspects of the Bill can be brought to the attention of Canadians, and I think this is important.

We are trying to let it be known from one coast to the other that there are elements of this Bill which are dangerous. No one contests the fact that some changes must be made to the Crow rate. The Hon. Member for Vegreville (Mr. Mazankowski) has stated on more than one occasion, and in a variety of places, the principles which guide the approach of this Party to the Bill.

This Bill is meant to ensure that the federal Government and the railways continue to provide a special low rate consistent with the Crowsnest Pass agreement to assist producers to compete with subsidized grain exporting nations. This is essential. Agriculture is the lifeblood of this country. We grew up in an agricultural domain. My parents moved out to central Canada from Nova Scotia in the latter years of the previous century because there was an opportunity there to grow grain. This is what made this country—grain and the railways. They have been inevitably interwoven with our history.

Now, not content with destroying Parliament, the Government has decided to destroy the very thing that makes the nation work, the combination of railways and agriculture.

The introduction of closure stinks, Mr. Speaker. Whatever you want to call it, it still stinks. That is what is being imposed, and that is what is destroying this House. When I was first elected it was a place where I felt I could serve with dignity. Because of the disrepute into which the House has fallen as a result of the Government, I am now finding that is almost—I hesitate to use the word—but it is almost a disgrace to serve in the House. The Government has destroyed Parliament's underpinnings in the procedural sense. Now it is set on destroying the country, and it has done a pretty good job of it up till now in other areas.

We are finding that in the matter of transportation the Government is determined to set East against West. I think that is an absolutely shocking performance for any so-called Government of Canada.

• (1150)

Another principle, which is recognized in the Bill but in a different way, is to provide fair compensation to the railways for moving grain in order to provide the necessary capital to maintain new and existing plant and equipment. It must be fair compensation, not total compensation. A full compensatory rate would make our products unsaleable in the world, Mr. Speaker. That is what we must recognize. Because of the size of this country the railways have a public responsibility to ensure that the railroad continues to exist and to serve this country.

I was deeply distressed when the passenger service across this country was eviscerated. That is the best word I can think

of. Passenger service was absolutely eviscerated. I saw in something I was reading the other day that VIA Rail is now registering heavy losses. It should still be possible, Mr. Speaker, for people who wish to travel across this country by train to be able to do so. You cannot get any notion of the size of this country unless you are actually on the ground, travelling at normal speed across the land. I am appalled that the transportation system, as far as passengers are concerned, has been so downgraded by the Government. I remember it was a tricky method Government had for introducing VIA Rail. I am wondering if it still has any statutory basis. I rather think it does not. However, that is beside the point.

There is a need for railroads not just to carry our products across the country, but also to carry our people. Those who feel they have no time to spare, that they must fly, do not know what this country is all about. They do not know the extent of the fields on the Prairies because they have not gone through them either in a car or on a train.

The third principle is to guarantee producers an efficient, cost-effective, and reliable grain transportation system. We have all seen those yellow and red cars, the grain tankers, moving across the country. I was absolutely appalled to think that one of the Provinces had to chip in to produce some extra cars, that our rail system had been so downgraded that it could not produce those cars. A single Province, Alberta, had to produce additional cars to carry our grain produce.

There is a need for an efficient, cost-effective, and reliable grain transportation system. There is no question about that. However, Bill C-155 is not the way to do it.

There is a need to remove the distortion of the low freight rates in grain and oilseeds vis-à-vis processed products, and ensure that the natural advantage is retained. This is what has produced a great deal of the opposition in the West to this Bill, because this Bill does not do that.

Mr. Smith: Let's hear your solution.

Mr. Munro (Esquimalt-Saanich): The best solution that I can think of, Mr. Speaker, since we have heard a muttering from the Hon. Member opposite, is an election right now!

Some Hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): That is the solution.

Mr. Epp: Let's go to the people.

Mr. Munro (Esquimalt-Saanich): Let us go to the people. That is what we are doing. That is the only device we have left to reach the people to explain the iniquity of this Bill.

Mr. Smith: What is your policy?

Mr. Bosley: No iniquity.

Mr. Munro (Esquimalt-Saanich): That is right, we avoid iniquity. We are anti-iniquity.

Mr. Fisher: That is a good policy.

Mr. Epp: That is one you have not followed.

Mr. Munro (Esquimalt-Saanich): The fifth point which was brought up, Mr. Speaker, was to ensure a statutory freight rate for grain producers which preserves the benefit of the Crow and protects it from open-ended escalation. There are so many variable costs facing the farmer, Mr. Speaker, that he has to have at least one constant. He needs a constant price for moving his grain from the field to the port. That is absolutely essential. We have to get that message across. I am absolutely staggered to think that the Government, by one device or another, including full-page advertisements, has convinced people, simply because it has not told them the full truth, that these matters will be dealt with through this legislation and that the grain will flow in consequence of it.

Hon. Bill Jarvis (Perth): Mr. Speaker, I am absolutely astounded that this particular legislation should be the subject matter of an obvious Government strategy not only to muzzle Parliament through closure, but to muzzle its own Members through whatever means are available to the executive. It just defies belief that we have not heard the discharge of parliamentary responsibility to the respective constituents of those Liberal Members representing, first, rural ridings, and, second, ridings in which secondary manufacturing plays a vital part. It just boggles the mind that those Hon. Members, led by the Minister of Agriculture (Mr. Whelan), would remain silent on this issue. To say it does not affect Ontario is absolute nonsense. Of course it affects Ontario.

I will deal first of all, Sir, with that part of Ontario which has a food producing area, such as my riding. My riding is not unique. It shares a common interest with other ridings which are represented by my colleagues in the benches opposite. What could be the effect on these ridings? What about grain production? Prairie grain competes with the grain grown in the riding of Perth, in counties such as Kent, Lambton, Huron and Oxford, a multitude of counties throughout southwestern Ontario. We compete. This Bill obviously and directly affects western grain, its price and, therefore, affects the Ontario grain grower. I would like to hear, as I have heard from my colleagues from Ontario in this Party, from those Hon. Members opposite as to what effect they believe this legislation will have on their producers.

My riding of Perth produces more hogs than any other county in Canada. It has the second highest dairy production of any county in Canada. It has a high production of red meat, beef.

Mr. Smith: Bull.

Mr. Jarvis: The Hon. Member opposite says "bull". The difference between the bulls in Perth County and the Minister of Agriculture is that that bull is all show and Perth County is all production. That is the difference between the two bulls.

How would this legislation potentially affect meat production in Ontario? We would likely face a situation in which western producers would feed livestock and compete with Ontario hog producers and beef producers. There is nothing

wrong with that competition. It is good healthy competition. What astonishes me is the silence of those Hon. Members opposite, and by their silence they ignore the fact of that competition. It is just unbelievable that the Minister of Agriculture, and some of his colleagues, knowledgeable colleagues in the Liberal backbenches, would not stand up and say this is where we see this competition flowing. And this is where we think some of the resolution of the problems will be. In my county, the hog producers have developed a large export market to Japan. I presume western producers might want part of that market, and we will compete. We have done so historically and we have both benefited from the very fact of competition.

● (1200)

What is the reaction opposite, Mr. Speaker? It is silence, and not only in the House; I have not heard one peep from one Liberal MP in their ridings, at public meetings or appearances in which they had a chance to speak about this issue. Not one word. It does not matter whether they agree with the position of the Hon. Member for Vegreville (Mr. Mazankowski).

Mr. Pepin: "Positions".

Mr. Jarvis: That is not the issue, but they should speak on it. Well, the Minister is interrupting. Can he still speak on this motion?

Mr. Bosley: Certainly.

Mr. Jarvis: Well, it is second best after the Minister of Agriculture (Mr. Whelan), who is obviously going to ignore his responsibility. The Minister wants to dispute my point. Let me talk about those ridings in Ontario in which secondary manufacturing is an important and vital part of our economy. This is not dissimilar to another situation regarding its potential effect on my riding. With one stroke of the pen that Government, by implementing the National Energy Program, stole thousands of jobs from my riding. There is no other word for it.

Mr. Fisher: Nonsense.

Mr. Jarvis: Someone says "nonsense". I defy him to come into my riding, stand up on a public platform and debate that issue with me. Half the audience will be unemployed skilled labour who were robbed of their jobs. He is invited to the County of Perth at any time, any place, on any platform to debate it.

If there is depression in the western agricultural economy, it will take jobs out of Stratford, indeed out of every manufacturing community in Ontario, and we can ill afford that. We have seen the economic and social tragedy of the NEP and we do not want to see it again, thank you very much.

We are talking about skilled people who want to work and contribute to their community. I invite any Member opposite to come into my riding and demonstrate—I hope he can prove me wrong—that this will not steal more jobs out of those ridings of central Canada in which manufacturing plays such a vital role. Members opposite are always welcome and if they can prove me wrong I will be the first to stand up and admit it.

There is another cost, Mr. Speaker. As I calculate these figures, Ontario's share of the cost to the Treasury is in the area of $1.5 billion over the fiscal years 1982-83 through 1985-86. Ontario pays roughly 40 per cent of federal revenues, so does it not strike you as odd that not one Member or Minister over there would stand up and try and defend that $1.5 billion cost?

Mr. Epp: They will never do it.

Mr. Jarvis: I remember the "what's a million?" line. This is "what's a billion and a half?" If they think this is a good deal, let them stand up and say $1.6 billion, to be exact, is a good investment for Ontario taxpayers. I would disagree and participate in the debate and try to counter that proposition, but they remain silent hour after hour, day after day.

Mr. Fisher: Benumbed by Tory speeches.

Mr. Jarvis: We have agricultural producers in a vulnerable position in Ontario, we have manufacturing in a vulnerable position in Ontario, at a cost to the taxpayers of $1.6 billion, yet not one word is spoken by one Member on that side on any one of those three issues.

This Government, Mr. Speaker, thinks that railways are more important than people. We in this Party do not agree.

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, we are debating a motion under which this Bill cannot be amended, a motion which was moved by the Hon. Member for Rosemont (Mr. Lachance) with the support and concurrence, I believe, of the Government. In other words, it may have been moved by a Member but in fact it comes indirectly from the Liberal Cabinet. We can argue about whether that constitutes closure or not; the fact is that no one can make an amendment under this motion. That, in my view, represents a type of hobbling or closure which is not acceptable. It is as if we were debating a Bill called "an Act to burn crops in western Canada" and no one in this House were allowed to amend it. That is not acceptable. This kind of thing has not been used since the 1950s, and no wonder.

Consider, Mr. Speaker, that we are talking about a $6 billion industry, one that is vital to western Canada and has been so since the last century. Then why are these people so cavalier and casual with the interests of an important part of Canada, especially a part where we have long felt that we are not full partners in our own country, that our national institutions do not represent us fully, and that to many we are, in effect, a colony of this country?

You are aware, Mr. Speaker, that the Crowsnest Pass Agreement is considered to have been the Magna Carta of western Canada for a long, long time. These people opposite are now throwing it out and I will tell you why. It is because they have been persuaded that they will lose 30 to 40 seats in Quebec if the payments under this Bill do not go to the railways in full. If they allow freedom of choice, which is what

we want, they are persuaded that they will lose 30 to 40 seats in Quebec. But, Mr. Speaker, it has been pointed out that this will not happen, that it will not hurt Quebec agriculture; so they are simply caving in to someone's perception.

To have a motion made such as we are debating today, Mr. Speaker, is insulting to us in western Canada. How would the Hon. Member for, say, Lévis (Mr. Gourde) feel if a Member from western Canada in this Party moved a motion to amend the Official Languages Act in a way detrimental to French-speaking Canadians? How would he feel if his interests were treated as badly as our interests are being treated here today?

Mr. Pepin: It is a sad sight to see you making arguments like that.

Mr. Kilgour: "Why should I sell your wheat?" Do you remember that phrase? That is the Prime Minister (Mr. Trudeau) of all of Canada who makes that kind of statement and that is why we are in the position we are in today.

What about the NDP, the handmaidens or the western annex of the Liberal Party?

Mr. Smith: We do not want them.

Mr. Kempling: Get them on waivers, David.

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

Mr. Kilgour: Some of the NDP protest that they want to kill the Bill. The Hon. Member for Regina West (Mr. Benjamin) says he wants to see it in committee. The Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) is talking about the composition of the committee. Today we learn there is a deal between the NDP and the Liberals.

Some Hon. Members: Never!

Mr. Kilgour: Never, say the Liberals. But we have seen NDP-Liberals deals before. We know when they have a deal on the NEP or the Constitution that the West is going to lose. That is why the NDP is going to lose most of their seats in western Canada in the next election.

Mr. Smith: What about your deals with the PQ?

Mr. Kilgour: The NDP wants all of the $650 million to go to the railways. In other words, we have a CP-CN-Liberal-NDP consortium. As has been said, we have guaranteed income for the railways courtesy of the Liberals and the NDP, taken from the pockets of the Canadian taxpayers.

Mr. Smith: We do not want them; we want to stay pure.

Mr. Kilgour: You have got them, but you will not have them back after the next election. I find it amusing, Mr. Speaker, that if you look at the Liberal Members here today, not one of them, including the Hon. Member for Lévis, holds a safe seat. I suggest to all of the seven who are present today that there will be very few who will be back after the next election.

• (1210)

Mr. Fisher: Is there a safe Tory Leader?

Mr. Kilgour: The Minister of Transport (Mr. Pepin) holds one of the least safe seats of that group opposite. My allotted time will be up very shortly, Mr. Speaker.

Where do we, as the Government in waiting, stand on this issue?

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please! I beg the Hon. Member's pardon but I can hear interjections from the other side of the House. I even see some Members standing. Only one Member may stand, the one who has been recognized by the Chair. I must ask the Members to respect the decorum of the House.

[*English*]

Mr. Kilgour: Mr. Speaker, I can assure those opposite that each one of them can rise after me and give a speech. We will be happy to hear what they have to say. I bet that none of them do, including the Minister of Transport, who is hiding behind his beard.

Mr. Smith: He's smoking.

Mr. Pepin: "Moustache".

Mr. Kilgour: Moustache. What are our principles? We believe that the federal Government and the railways must continue to offer a special low rate consistent with the Crows-nest Pass Agreement to assist our grain producers to compete with nations that do subsidize the transport of grain. We believe, second, that our producers must be guaranteed an efficient, cost-effective and reliable grain transportation system. Third, we believe that we must remove the present distortion of low freight rates in grains and oil seeds. We hear heckling from the Hon. Member for the grain-rich district of Ottawa Centre (Mr. Evans). Above all, we believe in ensuring a statutory freight rate for grain producers which preserves the benefit of the Crow and protects it from open-ended escalation.

Mr. Pepin: What does that mean?

Mr. Kilgour: Since time is running out, I would like to place on the record what the new national leader of this Party, Brian Mulroney, has said about the issue. I am commending Hon. Members opposite to consider his views.

First, when Bill C-155 was first introduced, that is with payment to our railways, our new Leader said that the Bill is unacceptable in its present form. Second, when the amendments were introduced, the 10 per cent linkage to the international price of grain and the inclusion of specialty crops, on which I hope I will have time to speak, he said that this was a step in the right direction. However, he said that Pepin, and I suppose I should say "the Hon. Member for Ottawa-Carleton", would have to put "a lot of water in the wine" because

the 10 per cent limit was unsatisfactory, and many have spoken of that in this Chamber. Third, "Changing the Crow rates", said Mr. Mulroney, "is akin to changing language legislation in Quebec. The Bill should not be rushed through Parliament; careful deliberation and thought is necessary." Think about that, Members from Quebec and French-speaking Canada.

Mr. Rossi: What did you ever do for Quebec?

Mr. Kilgour: Fourth, productivity must be improved in Canada. Since agriculture is the only ray of light in the Canadian economy at the moment, farmers should not be penalized.

Mr. Rossi: What do you have against Quebec?

Mr. Mayer: What has Quebec done for the rest of the country?

The Acting Speaker (Mr. Corbin): Order.

Mr. Rossi: What do you have against Quebec? You're supposed to defend it.

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

An Hon. Member: What about the record?

Mr. Kempling: Why don't you speak? All you ever do is holler from your seat.

[*Translation*]

Mr. Kilgour: The Hon. Member asked me what I have done for the Province of Quebec. I can tell him that I have made speeches at Mont-Laurier, for example.

Mr. Rossi: Ask the Hon. Member for Simcoe South (Mr. Stewart) what he has done for Quebec.

Mr. Kilgour: I travelled over most of Quebec with the Hon. Member for Vegreville (Mr. Mazankowski) and a number of other Members, to discuss the cuts made in VIA Rail service by this same Minister, which is going to cost you seats in the next election. That I can promise the Hon. Members from Quebec. What have you done for Quebec?

Mr. Rossi: Ask the Hon. Member for Simcoe South (Mr. Stewart) what he has done for Quebec. That's what the people of Quebec are going to remember at the next election.

The Acting Speaker (Mr. Corbin): Order, please! The Hon. Members who wish to speak in this debate must rise for recognition by the Chair. The Chair has given the floor to the Hon. Member for Edmonton-Strathcona (Mr. Kilgour).

[*English*]

Mr. Kilgour: Mr. Speaker, the Hon. Members opposite do not understand why the statutory Crow rate is important to western Canada. It is the one constitutional pillar that we have in western Canada. It is the one advantage our producers have in our part of the country. Name me another if you can, and I can name you many that you have in central Canada and elsewhere in this country. It is the one thing we have going for us. It is stability.

Mr. Pepin: Pathetic.

Mr. Kilgour: Well, it may be pathetic—

Mr. Pepin: You are.

Mr. Kilgour: —if that is what you are saying, Mr. Pepin, but I can assure you—

The Acting Speaker (Mr. Corbin): Order. Again, Hon. Members should respect the rules of debate. The Hon. Member for Edmonton Strathcona surely knows that he must refer to Hon. Members by their portfolios or their ridings.

Mr. Kilgour: The Crow rate has provided a historical, social and economic base for western Canada. It was a trade-off. It acted as a counterbalance to the tariffs, the protective tariff, and all kinds of other advantages that Hon. Members opposite have in Ontario and Quebec.

I hear the Hon. Member for Ottawa Centre (Mr. Evans) mentioning GATT. I would be happy to speak of GATT, but I only have about one minute left.

The statutory rate recognized that Canada is a trading nation and that it was one way of helping one of the largest areas of our exports.

Finally, the statutory rate recognized the fact that grain and oil seeds are natural advantages to Canada, and we want to encourage them. The 31 million tonne ceiling is a classic example of cutting off one's nose to spite one's exports.

My allotted time is up. I would urge Hon. Members opposite to come to their senses before it is too late and they are all beaten in western Canada.

Mr. Wright: Mr. Speaker, I noticed in the House that the Hon. Member for Bourassa (Mr. Rossi) has been interjecting.

The Acting Speaker (Mr. Corbin): Order, please. In the normal course of debate, the Chair should alternate. I did see the Hon. Member for Lévis (Mr. Gourde) standing. I was not sure if he was standing to be recognized or not. However, he does indicate that he was seeking the floor. Therefore, the Chair should now recognize the Hon. Member for Lévis.

[*Translation*]

Mr. Gaston Gourde (Lévis): Mr. Speaker, I would like to have the floor for a moment, because the Hon. Member who has just spoken made a statement to the effect that his leader, Mr. Mulroney, has made a statement on Bill C-155, which is currently under discussion. Mr. Speaker, on June 14, 1983, in this House, and here it is in Hansard, page 26329, I asked publicly the day after Mr. Mulroney turned up here in the gallery to do some grandstanding, and I have sent a copy of

what I asked him to the office of the House Leader, the Member for Yukon (Mr. Nielsen), I made a statement under Standing Order 21, addressed directly to Mr. Mulroney, in which I asked him to tell us, and I quote:

> First of all ... whether he agrees with Bill C-155 which is now before the House, and second, whether he agrees that grain transportation subsidies should be paid in full to the railway companies.

—as we have it in the Bill that was tabled in the House.

Today is the 22nd of June, eight days after my request was made, and Mr. Mulroney has not responded to it either directly to me at my office or in any other manner. If he did so, he did so with his cronies. He has never dared to do so directly to the farmers of Quebec who have pressed the government in recent months to take a position that in their view would be favourable to Eastern farmers.

Mr. Mulroney, who now represents the Progressive Conservative Party, has never dared, has never had the guts, has never had the nerve, to make clear his position on the changes to the Crow rate, and there are people on the opposite side who have tried to come and tell us that we ought to take lessons from the Progressive Conservatives on how to proceed in Quebec. I think if they had as leader a guy who had guts instead of glamour, then we might take lessons.

So Mr. Speaker, I repeat that to Mr. Mulroney, but since he is not in the House and besides I said it under Standing Order 21, I said at that time: Mr. Mulroney, I realize you are not a Member of this House. When a question is directed to the Prime Minister (Mr. Trudeau), and after all as leader of your party you want to become Prime Minister, when he gets a question he has ten seconds in which to answer. I realize you are new, you have no experience, and so we will give you two days. I said that on Tuesday; two days later the debate began again, and there was no response. It is now eight days later, and there is still no response.

That is the type of leader the Progressive Conservatives elected on June 11. I believe the Canadian people deserve better than that and I would ask Mr. Mulroney to express clearly, plainly and precisely, via one of his people—they are on the opposite side of the House—in front of the whole population, what his position is, not a watered down position but a plain and straightforward position, for or against. It is quite simple, yes or no, that is what we want to know here.

An Hon. Member: Why don't they tell the people in Quebec?

Mr. Gourde: But I do not want any lessons from the Progressive Conservatives when their leader is incapable of expressing himself.

• (1220)

[*English*]

Mr. Bill Wright (Calgary North): Mr. Speaker, a short time ago I saw the Hon. Member for Bourassa (Mr. Rossi) interrupting the speech being made by the Hon. Member for Edmonton-Strathcona (Mr. Kilgour). I would encourage the Hon. Member for Bourassa to stand up in the House and speak on this motion.

Furthermore, while he was sitting down he made a statement across the floor to the Hon. Member for Edmonton-Strathcona, saying "What have you ever done for Quebec?". I assume the Hon. Member was not talking to the Hon. Member for Edmonton-Strathcona personally but as a Member for that riding. I would remind him that thousands of men and women in this country gave their lives in two world wars. They did not distinguish between Provinces. There are many people in this country, including people from Edmonton-Strathcona, who gave their lives for Quebec as well as every other Province. I contribute income tax for the Province of Quebec as well as every other Province. I do not want the Hon. Member to sit in the House and point his finger and say "What have you ever done for Quebec?", because that is a false statement and he cannot back it up.

The Minister of Transport (Mr. Pepin) stood in the House on May 12 to introduce second reading of Bill C-155, the western grain transportation Bill on amendments to the Crow. On June 16, the Member for Rosemont (Mr. Lachance) rose in the House and moved that the previous motion be now put. In effect, when we vote on that motion that the previous question be now put on Bill C-155, it means that we cannot discuss the Bill any longer or move further amendments. We must vote immediately.

The *Oxford Illustrated Dictionary* states that closure in Parliament means "decision by a vote in the House of Commons to put the question without further debate". If that is not closure, what is it? It is closure, nothing more and nothing less.

We have seen the Minister of Agriculture (Mr. Whelan) file a notice to move closure. He had the gall to stand up in the House on a point of order a few weeks ago to say that the investment climate in Canada has never been better and that foreigners eagerly invest money here. Yet every Government department that has an office overseas knows that reports have been filed both verbally and written which state that this is one of the worst countries in which to invest. There is no truth to the Minister's statement about investment.

The office of the Canadian Government in London, England, has filed numerous reports stating that something must be done about Canada's national energy policy because investors will not invest in Canada. Surely the Government is not immune to the movement of $18 billion out of this country in 1981. One only has to visit the City of Dallas which has the largest contingent of former Canadians of any city in the United States.

Bill C-155 is pitting region against region. We can go back to the constitutional debate in 1980 at a time when the economy was falling apart. We were telling the government that the unemployment rate was rising, bankruptcies were increasing

and farmers were losing their farms. What was the Government doing? It was sitting across the aisle talking about the Constitution and how it would pull the country together.

This country could have been united much more quickly if the Government had put aside the Constitution and dealt with the matter at hand, namely the economy. Instead, we saw the Minister of Transport sitting across the aisle with his head in his hands too busy to worry about this. He was too busy to worry about the economy in 1980 when we knew that it was declining. We were warned by all of the experts that unemployment would rise and that the country was in deep trouble. Yet the Prime Minister (Mr. Trudeau) and the Liberal Government pitted Province against Province, region against region.

It then introduced the National Energy Program, one of the worst measures ever introduced. The reason this policy was implemented was that the Liberals could not stand to see the western Provinces succeed while the rest of Canada perhaps went into a recession. Therefore this national energy policy was introduced in order to squeeze the western Provinces. That is exactly what happened. Presently in Alberta only one-third of all drilling rigs are operating, but the Government was prepared to run the risk of pitting region against region.

Last week I stood in the House to ask a question of the Minister of Energy, Mines and Resources (Mr. Chrétien) of which I had given him notice some four months previously and again with another letter on May 31 of this year. The Minister could only say that he would take the question under consideration. I had given him advance notice of this question which pertained to Petro-Canada, the company that the Government claims is doing so well in western Canada. It is expected to lose $15 million this year. It has an office building which it is renting in Calgary for $6.2 billion. It is empty and has never been used, yet the Minister of Energy, Mines and Resources refuses to talk about it.

Now, lo and behold, it is negotiating with another company for rent-free use for the next five years because it wants to get it off the books. This is the type of company that the Government claims will be the leading oil company in the industry within five years. These facts all tie in with the National Energy Program, that scourge of the Canadian economy over the last year.

The Government is now introducing the western grain transportation Bill which will change the Crow rate. Once again, it pits region against region. When the Liberal Government is in trouble it pits region against region as it is the only way it can see of retaining some votes for the next election. That is the purpose of this legislation.

What is behind all of this? All we have to do is to look to our left to see the "Liberal Party West". The NDP were off base on the Constitution and the National Energy Program. They have suddenly realized that they had better get onside in the Crow rate debate. *The Toronto Star* tells us of the problems the NDP are experiencing. The NDP will have a convention next week and it will discuss a new policy. Already its Members have lined up their Leader. Some of them are sitting there saying: "We will introduce some motions at that meeting which will embarrass the Leader", yet they stand at only 16 per cent in the Gallup poll.

• (1230)

Mr. Fisher: It sounds like the Tories.

Mr. Wright: I hear the Hon. Member for Mississauga North (Mr. Fisher). We happen to be at 50 per cent in the polls. The Hon. Member sits there grinning through this as if he has no problems. The Liberal Party and the NDP have joined together in the past many times. We well understand that they will join together again, if not in actual name in actual fact, because the Liberal Party will never gain a seat in the West and it needs the NDP, and because the NDP now realizes that it will lose three-quarters of its seats in western Canada in the next election. The NDP attacks its Leader and puts his job in jeopardy. Once again the NDP is in real trouble and is trying to get onside with the Crow rate; but that Party will never make it.

Let me return to the Minister of Transport. Do we remember the Western Development Fund of $4 billion which the Government was to pump into western Canada? It has gone the way of the dodo bird. We do not have it any more. Of course it did not mean anything; it was one more promise the Government has not kept. What guarantees can the Minister of Transport give us that the railways will improve their lines? Not one. He would rather give them free funds. What are the railroads giving him in return?

I see the Minister of Transport has suddenly awakened. Perhaps he would like to rise and speak to the subject.

Mr. Pepin: I have already done so.

Mr. Wright: If the Minister of Transport is prepared to rise and speak, then I will sit down. Will he sit there with his arms folded, or is he prepared to rise? He cannot answer the question: What guarantees do we have that the railways will improve the beds? We have none whatsoever. Why did he shift his position from the Gilson Report? The position of the Gilson Report was far superior to his position. He knows it but is not prepared to admit it. The influence of the Quebec delegation changed his mind. Now he has to go along with them rather than with the farmers of western Canada. Once again he is pitting region against region, farmer against farmer.

Mr. Pat Nowlan (Annapolis Valley-Hants): Mr. Speaker, I am very happy to participate in the debate on Bill C-155. Also I am glad the Minister of Transport (Mr. Pepin) is in the House doing his penance, as he certainly should, and listening to the points made by Her Majesty's Loyal Opposition. I really have a great deal of sympathy for the Minister. I have a great deal of personal respect for him, but I know he had his moment of truth about a month or so before this debate was launched when the Gilson Report, to which the Hon. Member for Calgary North (Mr. Wright) referred, made certain recommendations. There were certain draft bills and then almost under the cover of night interests in the West in the

pools and certainly the Liberal caucus in the East got together in a sort of alliance that made strange bedfellows and there was a fundamental flip-flop from Gilson to this Bill.

I know the Minister, being a principled man and a principled Minister, wrestled with his conscience. I think he still has one but it took quite a warp when he finally decided still to be the team player and did not do perhaps the decent thing. I would have missed him if he had walked out and resigned, but I certainly think that with the flip-flop on Bill C-155 with which we are confronted today the Minister at least wrestled with his conscience. At least he had the conscience with which to wrestle. I will not talk about whether other Government Ministers would make any tag-team effort to wrestle with any conscience, but I am disappointed the Minister of Transport reached that decision.

Mr. Pepin: I found it difficult because there is such a diversity of views in the Official Opposition. When I cannot get 100 per cent, I go with 80 per cent.

Mr. Nowlan: There is no doubt that the Minister speaks with some relevance when he says that there is quite a diversity of views, obviously, on the Crow. The reason so many Members want to speak on the Bill is two-fold. First, the Crow is the constitutional pillar of the West and has been since 1897, the 80 years or 90 years it has been in effect. The Government is changing that through the club of closure. Second, that Party does not basically have any representation in the West. Indeed, that is a most dangerous thing. For those reasons Hon. Members over here are speaking as much as they can. They are saying: "Hey, hold up and see whether through the consensus about which the Minister spoke at one time there can be some medling of the different points of view".

I give credit to the Minister. He has made some changes, but he would not have made them if we had not debated the matter despite the motion of the Minister of Agriculture (Mr. Whelan) to close off debate; this thing would not have been changed at all. The Minister knows that if he had not had the debate in his own Quebec Liberal caucus as a result of pressure from the farm groups of Quebec, there would not have been the change to which he finally acquiesced.

Mr. Pepin: Mulroney said I should put some water in my wine, and I did.

Mr. Nowlan: I will not go down those tracks. I am talking about Bill C-155. The Minister will hear a lot from Mr. Mulroney in due course. There will be other wrestlings of conscience when he takes his place in the Chamber. He is prepared to take on Members from Quebec and/or Government Members head to head. At least there will be a voice from Quebec in the House on a more regular basis.

This debate was launched by the Minister. The Hon. Member for Vegreville (Mr. Mazankowski) replied on May 12, at which time I think the Minister was being his jovial self. My colleague mentioned that if a person understood Bill C-155, the gaps in the legislation and the rate structure which was supposed to apply, he or she would earn the Order of Canada. The Minister flippantly replied that that is how he earned it, if I remember correctly the reference in *Hansard*. He was in sort of a jovial mood, but he said: "That is how I earned it".

Is it not an ironic paradox with that beginning on May 12 and the Minister now sort of changing Bill C-155 for the purpose of clarification? If he obtained the Order of Canada for trying to understand the rate structure at that point, then with his changes and the real implications of the Bill we have the ironic paradox of the Minister obtaining the Order of Canada for the disorder which he will bring about in the grain trade, in the western economy and certainly in western wheat production.

The focus is on the West because that is where the Crow applies directly, but as other Hon. Members have indicated it is a national issue. It affects us right across the country. This is why there must be treading with care when the fundamental pillar which was the basis of growth for the agricultural industry in the West is changed. The Government is imbalanced in terms of its membership. Basically it is out of touch. It is very dangerous to bring in closure to try to choke off debate on something so fundamental, especially with the recent flip-flop of the Minister before the Bill was introduced. The Bill brings in uncertainty.

Mr. Pepin: Oh!

Mr. Nowlan: I hope the Minister will speak after I have finished. The Minister knows that this Bill brings instability and uncertainty into the entire agricultural industry of western Canada. He is asking western Canadian producers to do something which is very difficult for anyone to do. In effect, he is asking them to pay more and the moneys will go to the railways. We say balderdash to that. We like some of the recommendations of Gilson. They were a little more relevant than the Bill which pays everything to the railways.

• (1240)

The thought expressed on the first day of this debate—and it has not been responded to by the Government—was that in effect we wanted an amendment whereby the producer had the right to choose. It is a pretty catchy slogan, freedom to choose. The producers can decide to get paid directly if it is in their interest and to pay the railway, depending on whether they use the railway. If they get it, they have the option to truck the wheat to the terminal and/or sell it locally.

For the Minister to introduce closure on something so fundamental insults every opposition Member, certainly western Members who are very involved in the agricultural industry. To have the club of closure on one side and no response to date on the freedom to choose which would expedite this debate tremendously is wrong. There is no firm commitment to give the producer the right to choose as to how the money is to be paid, to the railway or the producer.

Mr. Pepin: We will have that as an amendment.

Mr. Nowlan: In some of the rhetoric the Minister has moved. I give him credit for that, but he has not gone far enough. We are entitled to only ten minutes. I have never been more constrained in my life trying to observe a ten-minute speaking rule under these provisional rules. You hiccup and burp once and the ten minutes are over, as far as I am concerned.

I have a reason for wanting to speak on this Bill and I throw this out to the Minister. I am glad that he may be more receptive to freedom of choice. I commend him for some of the changes he has talked about which I have not seen fully implemented in this Bill.

In the few remaining minutes I have left I want to talk about something which the Minister and you, Mr. Speaker, are aware of. If the Government is going to move unilaterally and/or use closure to change something so fundamental as the Crow that has been in place since 1897, then we in Atlantic Canada have to be wary indeed as to the Minister's intentions with regard to our little Crow. That, of course, is the Maritime Freight Rates Act. That came into existence to help alleviate the justified concern in Atlantic Canada in trying to get an economy going there by its bootstraps. After several royal commissions, it was put into law in 1926.

I was in the House when the then Minister of Transport, the Hon. Don Jamieson, seduced Members to agree to the Atlantic transportation amendment. That was some time in the 1970s. He said that would be the first plank in a revised transportation policy for Atlantic Canada which would make Atlantic Canada grow. It was the beginning of the whittling away of the effects, help and assistance and the subsidy for Atlantic industry in the select territory.

A month or so ago this Minister, his Department and some advisers, who very poorly advised, unilaterally set up a commission of consultants from Ottawa to assess the viability of even continuing the Maritime Freight Rates Act. All I can say in the closing 30 seconds available to me is that people in western Canada have justified concern about what is being done to the Crow, their pillar, as the pillar that we have had since 1926 is being slowly whittled away. If the terms of reference of the consultants' report are met, I predict—but hopefully there will be an election first—that it will be the serious intent of this Minister or his replacement, as long as this Government is in office, to ensure that the Maritime Freight Rates Act, let alone the At and East rates for the export of flour on which there has already been one attack, will go out the window.

There is no reason why we should support Bill C-155. The rhetoric and good intentions of the Minister have to be put into the legislation to give protection to the western producer so that the five points of Conservative policy, to answer the NDP, which have been mentioned time and time again, can be adhered to.

Mr. Gordon Towers (Red Deer): Mr. Speaker, I have to tell the House of Commons that this is one of the saddest days that I have witnessed since coming to this House of Commons 11 years ago. The Minister is bringing in legislation that is entirely unacceptable to western Canada. I have to give him full marks for totally alienating every farmer in western Canada; he has done a good job of that. When he started out he at least had 50 per cent on his side. Now he does not have any; he has lost them all.

The Hon. Member for Lévis (Mr. Gourde) stood up and presented this House with so much garbage. He talked about something he knows very little about. He told lies to his constituents, telling them they would be badly treated by this legislation. That is completely false because it has such an insignificant effect on eastern agriculture that it is inconsequential. For him to stand up and mislead the Members of this House and at the same time mislead his own constituents is unforgivable.

Where are the speakers on the Government side? We have had eight up to the present time. Do they not recognize the importance of this legislation not only to the House of Commons but to western Canada?

Where is the Minister of Agriculture (Mr. Whelan)? Why is he not talking? On May 12 the Minister of Transport (Mr. Pepin) said that the Minister of Agriculture would speak on this legislation. Where is he? Where is the Minister of Employment and Immigration (Mr. Axworthy)? He is from Winnipeg, which is the central exchange for the grain industry in western Canada. Where is he? Surely he has some constituents who are interested.

What about the Hon. Member for St. Boniface (Mr. Bockstael)? Is he not from western Canada? Where is he? What has happened to the Liberal Party of Canada? Do they not agree with the Minister? I guess they do not agree with what the Minister of Transport is doing.

What about my twin? He just happens to be in the Chamber today. I wonder why he was put on as a twin. The Hon. Member for Lambton-Middlesex (Mr. Ferguson) was supposed to be the twin. He was to be the Liberal voice in western Canada. I have to ask him whether he is just a twin for the benefit of the Liberal Party or is he a twin for western Canadians, those who live in Red Deer and the communities around it? Why does he not come out and talk to them? There was a meeting in Red Deer. The people would have loved to have had him there. They sent me a petition with the names of 364 constituents on it.

Mr. Ferguson: Mr. Speaker, I rise on a point of order. I think I should point out that I was one of those who was earlier consulted on the Crow rate at the Unifarm Convention in Edmonton, Alberta in January, 1982. I did not see the Hon. Member for Red Deer (Mr. Towers) there. There certainly was no consensus at that time—

The Acting Speaker (Mr. Corbin): The Hon. Member is seeking to contribute to the debate. I suggest that there is a way to do that.

Mr. Towers: Mr. Speaker, I would like my twin to stand up in the House and tell us what he has done with regard to this

legislation. We would love to have him come to my constituency. I can assure him that he would get a very warm reception, probably the warmest he has ever received in any place in Canada that he has ever visited. We would love to have him there.

These people who got together, a thousand of them, rented a hall. They have signed petitions. I have them here for the Minister to read. One of the problems when we present a petition in the House of Commons, as we do day after day, is that nothing happens as a result of that.

I say to my twin for Red Deer that we have petitions from people in all of the communities in my area. I will read them: Delburne, Bowden, Innisfail, Sylvan Lake, Linden, Rocky Mountain House, Olds, Eckville, Caroline, Carstairs, Crossfield, Acme, Red Deer, Didsbury, Cremona, Huxley, Blackfalds, Penhold, Lousana, Elnora, Markerville, Torrington, Trochu and Sundre. I have only listed representatives of people in my constituency. My colleagues for Wetaskiwin (Mr. Schellenberger), Vegreville (Mr. Mazankowski), Crowfoot (Mr. Malone), Pembina (Mr. Elzinga) and Bow River (Mr. Taylor) all had representatives at that meeting. Some of them travelled many hundreds of miles to get there. Yet the Government and the Minister will not pay the least bit of attention to what these people are saying.

● (1250)

It is no wonder the Liberal Party is dead in western Canada. I can assure Hon. Members, Mr. Speaker, that there will not be another Liberal elected in western Canada for 40 years because of what they have done to us. They can laugh about it. Perhaps they do not care because they come from central Canada and they will not care as long as the power base is here. But I say that that power base will erode as well. That will change. They will lose the power base in central Canada. Canadians cannot be treated like this. Canadians cannot be misled in the way that they are being misled. Therefore, I have nothing but disgust for Members opposite and to my left when they stand up and say that we must get the legislation into committee so that we can make some changes.

Mr. Epp: They want to make a deal.

Mr. Towers: They want to make a deal. Well, I would like to see the deal that Members of the NDP make with the Members opposite. I do not anticipate, Mr. Speaker, that there will be any changes made to this legislation when it goes to committee.

An Hon. Member: They are dealing with the Liberals again.

Mr. Towers: That is right. There will be no changes made. We have seen this happen before. We have seen people come here from western Canada at their own expense. Their time and money is spent without effecting any changes. If the Minister of Transport really wanted to be honest with Canadians, he would make some changes which would be acceptable to the people of western Canada.

I have a copy of a letter, Mr. Speaker, sent by the Minister of Agriculture for Alberta and cosigned by the Hon. Hugh Planche, the Minister of Economic Development for Alberta, to the Minister of Transport. I know I do not have time to read that letter, but I would ask the Minister to find that letter. It is dated May 2, 1983. It establishes the position that officials of the Province of Alberta would like the Minister to adopt in order to alleviate some of the problems that we have with this legislation.

I realize that my time is up, Mr. Speaker. I appreciate being afforded the opportunity of at least expressing my opinion. I would hope that the Minister of Transport would have the Minister of Agriculture, the Minister of Employment and Immigration and his colleague from Winnipeg stand up and state the western Canadian position. What chance do they have to be elected in western Canada if they will not stand up and speak for the Canadians they represent? It is a farce, Mr. Speaker. I am sorry to say that but that is what it is.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I too would like to say a few words in connection with Bill C-155. Bill C-155 is a great betrayal, the betrayal of half a nation. On February 8, 1982 the Hon. Minister of Transport (Mr. Pepin) said in his western rail transportation statement under item 5:

> The economic distortions within the agricultural sector stemming from the statutory rate should be reduced—

Under item 6 of the same statement, he said further:

> The most effective ways of promoting the diversification of the western agricultural economy and processing of agricultural products—

So he spent $287,000 and more to set up a committee with those statements as the terms of reference. Mr. Gilson and, as one of my colleagues noted, some of the best brains in Canada came up with a solution. The Minister should have accepted that solution. He did accept it at first. Then he cut it in half and then he threw it out altogether. This is the greatest betrayal of half the nation in Canadian history.

Judas betrayed Christ for 30 pieces of silver. He paid for it. I want to tell the Hon. Minister that he will pay for this betrayal and the Liberal Party will pay for it. It is proper that they should pay, but the Canadian people will pay for this as well, particularly the people of western Canada.

I want to deal with some of the items in this great betrayal by the Minister. If the Minister were a man of principle, he would resign from his position. If he believed what he set out in the terms of reference and then he backed out and turned his back on those promises, he should resign. If he is half a man, he should resign. But no, he sits there. His position is more important than our country. That is what this Bill is all about. This Bill will either make the country or destroy it. The way the Bill is set up now, it could well destroy the country. It is a great betrayal.

As for my hon. friends from the NDP, there has been a great sell-out. They speak up against the Bill and then they turn around and say: "Now we will pay it to the railways, not to the farmers".

Mr. Hovdebo: What is your Party's position on the Crow rate?

Mr. Taylor: After denouncing the railways, the Hon. Member for Regina West (Mr. Benjamin) said that it is far better to give two cheques to the CNR and the CPR than 150,000 cheques. In this computer age, where is the difficulty in issuing 150,000 cheques?

Mr. Hovdebo: What is your Party's position on the Crow rate?

Mr. Taylor: They can shout all they like, but their move is a great sell-out of the people of western Canada and they know it.

Mr. Mazankowski: Guaranteed annual income for the railways.

Mr. Taylor: Yes, guaranteed annual income for the railways. But what about the people who are paying? This Bill will destroy the hopes of cattle producers, the hopes of hog producers, the hopes of pulse crop producers and it will destroy the processing industry. Is this a deliberate attempt on the part of the Minister to ensure that western Canadians remain drawers of water and hewers of wood? Western Canadians are tired of being drawers of water and hewers of wood. They want to process their own raw materials. The Minister is now trying to prevent this from happening.

The only bright spot in the whole debate has been the suggestion made by the Hon. Member for Vegreville (Mr. Mazankowski) who said: "Let us go back to the people; let us go back to some of the basic democratic principles and find out what the people want". So he suggested the freedom of choice proposition. He did not say that he wanted to name the formula after himself. He did not say that he wanted to make it the Progressive Conservative formula. He wants the formula for the people of Canada so that the people can decide.

When Members of the NDP oppose that proposition, they oppose people. Have they no confidence in the people? The people of the country are not illiterate, they are well educated. The farmers are well educated, but the NDP cannot trust the people to decide what is best for themselves. Their philosophy is to tell the people what is good for them, and that is the philosophy of the Liberal Government as well. It has been telling the people what is good for them for years. That is coming to an end because the people are getting tired of it. The people want some say.

The freedom of choice proposition will give the people a chance to say whether they want the money to go to the railway, as some will. It is their right to say so. If they do want the money to go to the railway, those people will get a card that will indicate the rate that is appropriate for that particular situation. There are other people who will say they want the money to go into their own pockets because they know how to spend the money better than does the Government. They will not waste it. They may want to use the money to haul feed to a feedlot where they are doing wonderful work. They may want to use it to feed hogs or use it for a pulse crop. They may want to use it for processing. Whatever way the people decide to use the money, the railway will still get its fair share.

An official of the CPR, when he came to visit me, said: "We favour seeing the money go into the pockets of the producers". I said: "You do?" He said: "Yes, I do, because that will make our railway more efficient. We will have to compete, and in order to compete we will have to be efficient." That is how some of the top men in the CPR are thinking. But no, Members of the New Democratic and Liberal Parties say that they want to give all of the money to the CPR. They want to give the CPR a guaranteed income without any thought at all for the effect it will have on the people of western Canada.

They do not mind blocking hog producers who have a tremendous potential. They do not mind killing the cattle industry when it has been making money and has a tremendous potential. They do not mind killing the processing industry which has a tremendous potential. That is a great betrayal of the people of western Canada and the Minister should resign.

[*Translation*]

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

TRANSPORT

CROWSNEST PASS RATE—PROGRESSIVE CONSERVATIVE PARTY'S POSITION

Mr. Gaston Gourde (Lévis): Madam Speaker, in this House, on June 14, 1983, I asked the new Leader of the Progressive Conservative Party to take a clear stand on the new grain transport policy, better known as the change in the Crow rate. That same day, I sent him a copy of my statement through the Office of the Opposition leader, the Member for Yukon (Mr. Nielsen), who immediately acknowledged receipt of the document and told me it had been forwarded to Mr. Mulroney. Although we have been debating this Bill for another four days, the new Leader has not had the courage to state publicly his position to the agri-food industry in Quebec and Eastern Canada. I would therefore like to refresh his

memory and inform him that Quebec farmers do not want a leader without policies.

* * *

[*English*]

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

APPOINTMENT OF PRESIDENT

Mr. Bob Ogle (Saskatoon East): Madam Speaker, the Canadian International Development Agency has been without a president for almost a year. Recently Ms. Margaret Catley-Carlson was appointed to the position. The new President comes with a good deal of experience in the field of international aid.

As Ms. Catley-Carlson prepares to take over her new job, I would suggest to her that she consider carefully some recent reports on Canadian aid published by the North-South Institute in Ottawa. The Institute criticizes the Canadian foreign aid program because it has not been allowed to develop clear, practical goals.

Foreign aid is a very difficult activity. This I know from my own experience. All Canadian experience acquired over the years must now be used to define a clear direction. The last guidelines for CIDA were laid out for the period 1975-80. This past year, even without new guidelines and without a president, aid programs have continued.

CIDA is beginning to take on the look and attitude of a middle-aged person. The wonderment of childhood is gone, the excitement of youth is over, the hard knocks of young adulthood have taken their toll, and the institution is showing signs of middle-age fatigue. I call upon the new President of CIDA to take to heart the advice of the North-South Institute, first, to decentralize decision-making; second, to speed up procedures of decision making by placing more staff in the field with more authority; and third, to remember that aid is for the poor so that aid given quickly is aid given twice.

* * *

CAPITAL PUNISHMENT

DEMAND FOR RESTORATION

Mr. Gordon Taylor (Bow River): Madam Speaker, the large majority of the Canadian people want the death sentence restored for anyone deliberately planning and then murdering another human being, when he or she has been found guilty beyond the shadow of a doubt. Under this formula there is no chance of the wrong person being executed. Still, Liberal Members continually refer to persons where there is or was a doubt; if there is a doubt, the law would remain as it is today.

One Liberal Member calls capital punishment revenge. It is not revenge; it is just and proper punishment to fit the crime. Some way the death sentence is not a deterrent. Well, it would certainly stop a murderer from committing a second or a third or a fourth murder. Maybe nothing would stop a murder carried out in a fit of passion, but it would certainly prevent some murders that are coolly planned. Why? Because everyone loves life and has no desire to die.

Parents of murdered young people, like Walter and Marion Cook, whose beautiful teenaged daughter, Kelly, was brutally murdered, and the loved ones of the two girls killed by Peters and Brown, know what it is to go through torment and hell, and want the murderers executed to make sure such a horrible ordeal does not happen to some other family.

But the Government thinks it knows more than the people; it refuses to reflect the thinking of the people; it insists on telling the people what it considers is good for them, and so murderers will go on murdering a second and third and fourth time, until a democratic Government that will reflect the thinking of the people, is elected.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

OBSERVANCE OF RULE OF LAW

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, national security is a top priority in every nation's hierarchy of values. We Canadians treasure our sovereignty above all, and will not let any alien forces infiltrate our lives. In the era of spy networks operating ruthlessly all over the world, we must be particularly vigilant. Therefore a strong and efficient security agency is of prime importance for our defence, and every effort should be made to allow our spy chasers to do their job. Yet, in doing so, we must not forget about one of the greatest achievements of our system—the rule of law.

It is imperative that no one, not even the Security Service, should be permitted to break the law. Bill C-157, as proposed, poses a threat to our civil liberties, the integrity of democracy, and natural justice.

An increasing number of letters from my constituents, voicing their opposition to this legislation, indicates clearly where Canadians stand when it comes to attacks on our freedoms and the rule of law. They demand assurance on the part of the security forces that no abuses of law, as known in the past, will ever take place, and that their personal freedoms will not be endangered. A careful and detailed review of the legislation is needed so that both the requirements of our national interests are met and our personal freedoms preserved.

S.O. 21

[*Translation*]

TRANSPORT

CROWSNEST PASS RATE—INVITATION TO LEADER OF PC PARTY TO EXPLAIN VIEWS TO PORTNEUF FARMERS

Mr. Rolland Dion (Portneuf): Madam Speaker, this morning in the newspaper *La Presse,* I read about the statements made by the Hon. Member for Vegreville (Mr. Mazankowski) regarding the position of the Progressive Conservative Party on the Crow rate. The former Minister of Transport declared that the Party's position was that payments should be made to farmers and not to the railways. Madam Speaker, I would therefore invite the new Leader of the Progressive Conservative Party, Mr. Mulroney, to visit the riding of Portneuf, which I represent, and explain his party's position to the farmers, since the former Minister of Transport, speaking on behalf of his party, stated that he wanted to make the payments in question to the farmers and not to the railways. I would appreciate it if you would do so within the next few weeks, as soon as possible, instead of just showing up in my riding now and then.

* * *

[*English*]

PUBLIC WORKS

EXPANSION OF WINNIPEG AIRPORT—AWARDING OF CONTRACTS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, the Winnipeg Construction Association has contacted me expressing concern at the manner in which federal public works contracts are handled. It would seem that the Association is not given adequate advance notice when a project is to begin, and often the specifics of projects are not readily available. Therefore, they cannot be fully prepared—a necessary prerequisite in order to organize and establish the detailed planning essential to beginning and completing every new project, and tendering. I am referring in particular to the expansion and modernization of the Winnipeg airport, a new project recently announced by the Minister of Employment and Immigration (Mr. Axworthy), which will cost $32 million.

This news is most exciting for, as a rule, the weekly public works communique lists Manitoba as not being awarded any contracts, regardless of my continuous pursuit of the Minister of Employment to utilize the fine workmanship of Manitobans. I am pleased that, after all these years, he is beginning to realize that my commendation of Manitobans and their multitude of skills and talents is not unfounded.

I would ask that the Minister of Public Works (Mr. LeBlanc) and the Minister of Employment and Immigration endeavour to supply the Winnipeg Construction Association with all the detailed information on the airport renovation project, as well as attempt on a regular basis to inform the Association as quickly as possible of any upcoming public works contracts, as is done by provincial Governments.

CANADIAN NATIONAL RAILWAYS

NAKINA—OPPOSITION TO PROPOSED RUN-THROUGH

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, the CNR is threatening the life of the Towhship of Nakina, Ontario, by proposing to eliminate Nakina as a crew-change point and to run trains right through. This will have a devastating impact on the community as the proposed run-through will deprive it of its oldest industry, namely, the CNR, and make it into a one industry forestry town with all the economic instability that results from such dependence.

In addition, the run-through will cause many families to move out of Nakina, and leave the remaining residents, many of them senior citizens, to pay for all the new services and infrastructure the CNR encouraged the town to build. The people of Nakina were assured by the CNR that they had a secure future and, as a result, many families built or purchased homes in Nakina which would be radically devalued if the CNR goes ahead with the Nakina run-through.

The people of Nakina would like to remain there and to preserve their community. They quite rightly feel the CNR has an obligation to allow them to do this. It is time the CNR, as a Crown corporation, acted in the public interest and cancelled the proposed Nakina run-through so that the people of that community can continue to live and work there without fear of losing their homes, their friends, their community, and their lifestyles.

• (1410)

To those who like to say, as do many of my Liberal and Conservative colleagues, that you cannot stop progress, I say that the destruction of communities is not progress at all. It is an illusion of progress behind which we find the erosion of values and relationships which really count.

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EMPLOYMENT

MARINE EMERGENCY DUTIES CENTRE—DECLINE IN TRAINING ENROLMENT

Mr. Girve Fretz (Erie): Madam Speaker, in December, 1980, a Marine Emergency Duties Centre was opened in Port Colborne, Ontario, at a cost to the taxpayer of almost $1 million. Not only was this the answer to the problem of training shipboard personnel in proper procedures to avoid and to deal with accidents and emergencies on board, but it brought much needed employment to the city. Already this much needed facility is on the verge of closing down, at least for nine months of the year. The enrolment at present is only 13 trainees. Why so few? The answer most probably lies in the fact that the cost of tuition is beyond those people who need the training the most.

The cost of courses in "Avoidance of Collision", "Fire Prevention" and "Navigation" offered by this institution is $825 per course, so one can only guess how much it would cost

were one to take a good variety of courses. It stands to reason that those who are trained in the above skills are those most likely to have jobs at the present. How many unemployed seamen would very much like to take such courses which would enable them to find more suitable employment, if only they had the money? Those who do not have the money are the ones who need the training.

If Manpower sponsorship were available, there would be no shortage of pupils for such courses. After all, there are almost five hundred officers who are jobless. Perhaps provision could be made for repayment of their fees when they found employment. I urge upon the Minister of Employment and Immigration that he study the facts and consider my proposal of Manpower sponsorship for training—

Madam Speaker: Order, please.

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HUMAN RIGHTS

IRAN—CONDEMNATION OF EXECUTION OF MEMBERS OF BAHA'I FAITH

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, men and women who are privileged to live in a free and democratic society have an obligation and a responsibility to speak out against violations of human rights, wherever they occur in the world. We must do so because those who are the victims of oppression and terror are seldom in a position to make a public plea on their own behalf. Such is the case with thousands of victims of senseless killings in Central America, as it is with brave dissidents who dare to speak out in Iron Curtain countries. We saw another brutal example of oppression in these past few days against defenceless human beings. Once again members of the Baha'i faith in Iran have been executed for their beliefs by the Government of that country.

The Baha'is have been subjected to incredible harassment and torture by the followers of Ayatollah Khomeini. Since he seized power, 130 Baha'i leaders have been executed by the Government. This past week ten women of the Baha'i faith were executed in Iran simply for teaching children the basic tenets of their religion. Peoples and Governments around the world must protest these savage and outrageous acts of violence until the rights of Baha'is to live in peace and security, free to practise their religion, are respected.

Some Hon. Members: Hear, hear!

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AIRPORTS

NECESSITY FOR IMPROVEMENTS IN NORTHERN MANITOBA

Mr. Rod Murphy (Churchill): Madam Speaker, recently Transport Canada supplied me with a table of projects planned for airports in northern Manitoba over the next five years. The capital outlay is small for a region which covers the northern two-thirds of Manitoba, an area which is very highly dependent on air transportation. For example, the runway in Thompson, Manitoba, which was repaired on a temporary basis in 1982, is not slated for repairs again until after 1989. This is ridiculous in view of the fact that the runway is deteriorating so badly that it has in the past been closed to jet service because of its condition and the danger to aircraft and passengers.

Flin Flon, Manitoba, is still unable to provide service to aircraft wishing to make an instrument landing approach. These are just two examples of airport planning which are necessities of life but are not being done by the Government.

The North has a strong and growing tourist industry which needs to be encouraged. We also wish to increase our number of residents, and we need to do that by developing our rich resources in the area. Our airports must be improved. I encourage the federal Government to take action beyond its present plans.

ORAL QUESTION PERIOD

[*English*]

CROWN CORPORATIONS

MONITORING OF MANAGEMENT—GOVERNMENT POLICY

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Prime Minister. The Prime Minister will know that, following the financial disasters of Canadair and de Havilland, we now have the financial disaster of the CN investment in CAST Shipping, and we have the disaster of a $450 million loss in Via Rail despite the fact of a 20 per cent reduction in passenger train service. Would the Prime Minister tell the House what the Government proposes to do to monitor and somehow control the activities of the people running these Crown corporations, who clearly lack the expertise, the managerial ability, and are not prepared to have any regard for the taxpayers' money in their management?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member has heard the Government regret very deeply and sincerely the loss of money which has been incurred in Canadair and de Havilland. I would point out to the Hon. Member that it is probably a mistake in logic to assume that that is because they are Crown corporations. He will remember that Canadair itself, when it was a private sector corporation, was going belly up. It is also true of de Havilland Canada, which was going belly up, and the private sector was not able to make it live. There was no one in the private sector prepared to keep that section of the aviation industry alive.

Hon. Members will also remember that many other important private sector operations which have been in great difficulty in past years have had nothing to do with Crown

corporations. Canadian banks were in difficulty because they made loans to the Domes and to the Massey-Fergusons, and because they had made loans to Caribbean countries in difficult times. Massey-Ferguson had to be rescued, Madam Speaker, and Chrysler had to be rescued. Even Maislin, which is so loved by the other side of the House, had to be rescued.

Some Hon. Members: Oh, oh!

Mr. Trudeau: I understand that the doctrinaires of the private sector are not prepared to admit that the private sector had difficulties in these times. The choice of the Government is to know whether it should let that aviation industry die, as the private sector was doing, or whether it should keep it alive. The same thing can be said of transportation and the other areas of our action, Madam Speaker.

Some Hon. Members: Hear, hear!

Mr. Blenkarn: Madam Speaker, the whole country is going to go belly up unless this Government changes.

CANADAIR—REVIEW OF MONTHLY REPORTS

Mr. Don Blenkarn (Mississauga South): My supplementary question is directed to the Minister of Industry, Trade and Commerce, who in the Canadair matter had monthly reports sent to the Ministry with respect to every activity of Canadair. I would like to know what review the Minister made, or his predecessor Ministers in that Department made, with respect to those monthly reports. And why did the Minister, despite reports which were overly optimistic and which always turned out to be false, continue to recommend further advances by banks, and letters of comfort, and the rest, with all of this bad and false information which was coming to him?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member knows perfectly well that when the Government became aware that Canadair was having problems and that those problems were very severe, it analyzed the situation and tried to find the best way to correct it. This particular mechanism is now before the House in the form of a Bill. The Government has formed a corporation that will provide for a Government presence within this corporation and others that are having problems, and I am sure that with this particular mechanism, we shall be able to correct a situation that has been diagnosed as being both problematic and unsatisfactory.

[*English*]

HIRING OF ASSISTANT DEPUTY MINISTER

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the House will know that before this Minister became the apologist for the mess, the Minister of Industry, Trade and Commerce was responsible. The House will also know that A. M. Guérin, Assistant Deputy Minister, was the representative of the Minister of Industry, Trade and Commerce on the board of directors of Canadair from June 5, 1976, until September, 1981. Would the Minister of Industry, Trade and Commerce tell us why Mr. Guérin was allowed to take a high paying job with Canadian in conflict with the interest of supervising that corporation? Why was he allowed to resign from the Ministry and take this job at a high fee that he somehow earned because of his work presumably on behalf of the Ministry?

• (1420)

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, regarding Mr. Guérin's job, he was hired by Canadair, and perhaps the Hon. Member, when he has an opportunity to meet with Canadair representatives in committee, would care to ask them why they hired Mr. Guérin.

[*English*]

CAPITALIZATION OF CORPORATIONS

Mr. Scott Fennell (Ontario): Madam Speaker, my question is directed to the President of the Treasury Board. As he knows, there has been a total lack of accountability concerning the affairs of Crown corporations. Now the Prime Minister tells us that he can put Crown corporations belly up faster than anyone else. Can the Minister tell us if it is common practice in Crown corporations to capitalize through debt as opposed to equity, and is it normal procedure to capitalize by means of letters of comfort?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I am not in a position to comment with respect to each and every Crown corporation. Certainly this was a practice followed with respect to at least one Crown corporation we have been discussing, and the Government went on to ask the House to enable it to replace those letters of comfort with guarantees established by Parliament, which the House did last year.

USE OF LETTERS OF COMFORT

Mr. Scott Fennell (Ontario): Madam Speaker, the Government knew early in 1979 of the disaster it was in. The Government started issuing letters of comfort long before that, without bringing them in front of this House of Commons to be discussed, and without allowing the Auditor General to get involved.

Mr. Lalonde: You were the Government in 1979.

Mr. Fennell: Will the Minister table in this House the number of Crown corporations financed by letters of comfort?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I will be happy to see what information I can provide in that regard. However, I might observe, because my hon. friend has talked about 1979, that I am not aware of

anything done by the previous Government to end the practice which, as he pointed out, had been going on prior to 1979.

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ENERGY

REQUEST THAT FEDERAL-PROVINCIAL CONFERENCE BE CONVENED

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, my question is for the Minister of Energy. It is known that he is currently meeting secretly with representatives of Alberta trying to beat out a new energy pricing and taxation agreement. The Minister has offered a great deal of criticism of the role of the consumer Provinces in energy pricing. Therefore, in order to strike a national consensus, would the Minister be prepared to convene a sort of national conference on energy pricing so that producers and consumers can reach a consensus on energy pricing and taxation?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, this is a bilateral negotiation between the federal Government and Alberta. I can see the Hon. Member is changing his tune now that Saskatchewan does not have an NDP Government. I think we will try to arrange the best agreement, keeping in mind the interests of both the producers and consumers. I hope everyone would prefer to have an agreement rather than a disagreement between Alberta and Canada.

GASOLINE PRICES—REQUEST FOR INQUIRY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, unfortunately I believe the Government's limited understanding of this matter is bound to set off a second round of animosity. There is another aspect to energy pricing, that is the gas pump price and not just the wellhead price. Certainly the major oil companies across the country seem to be engaged in local gas wars to destroy the independents. Those gas wars seem to be funded through gouging of the Canadian public at the pump. No one understands what the real and fair price really is of fuels, including gasoline.

Would the Minister be prepared to encourage his colleague, the Minister of Consumer and Corporate Affairs, to strike a national inquiry into the retail price of fuel so that Canadian consumers will get a fair shake at both the wellhead and the gas pump?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I think the Hon. Member has asked me a very surprising question. The war between the companies, generally speaking, works in favour of the consumer. The intervention of the Minister of Consumer and Corporate Affairs occurs when there is an agreement to increase the price. But in this case a price war, generally speaking, means a reduction in the price to the consumer.

At the provincial level there are rules and regulations which sometimes oblige the companies to tell the consumers how much provincial tax they pay. Sometimes the rules and regulations are not in place. The federal Government, with the producing Provinces, controls only the wellhead price. We are not involved in setting the price in the retail market; that is done through market forces.

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CROWN CORPORATIONS

CANADAIR—MINISTER'S STATEMENT TO COMMITTEE—EXISTENCE OF SECRET REPORT

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is directed to the Prime Minister and it goes right to the heart of the parliamentary process. Last December Senator Austin, who is responsible for Canadair, stated that the picture he was presenting to the committee in support of the request for additional moneys for Canadair was "a worst case scenario". He said that he might need more money but "the eventual requirement might not exceed the amount currently requested".

Yesterday in committee a senior Departmental official acknowledged that a secret report was available to Cabinet, in addition to the task force report, which showed that "Canadair was at that time a high risk situation". I ask the Prime Minister did the Cabinet direct Senator Austin to mislead that committee—

Some Hon. Members: Oh, oh!

Mr. Wilson: —when he requested those additional funds?

Right Hon. P. E. Trudeau (Prime Minister): No, Madam Speaker.

Mr. Wilson: If he was not directed to do it, why did he mislead the committee? Perhaps the Prime Minister could answer that question.

INQUIRY RESPECTING RECOMMENDATION TO CANCEL CHALLENGER PROGRAM

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, it is very clear from the testimony given last fall by Canadair officials, plus the Minister of Industry, Trade and Commerce as well as Senator Austin, that they were attempting to downplay the seriousness of this mess. That is completely contrary to the secret report, of which there are only five copies.

Did either the departmental task force report or this secret report recommend to the Government that the Challenger program be cancelled forthwith?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it will be remembered that at that time the difficulties were known but that Canadair was still attempting to sell

the Challenger, which was and is a very good aircraft. I would assume that the directors of Canadair, as they then were, were not anxious to indicate the company was in financial difficulty lest they lose prospective buyers. To me, that is the context in which this, shall we say, over optimistic look at the future was put forward.

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INDUSTRY

WHITE FARM EQUIPMENT COMPANY—RECEIVER'S ACTIONS

Hon. John Wise (Elgin): Madam Speaker, in the absence of the Minister of Agriculture I want to direct my question to the Minister of Industry, Trade and Commerce. A very serious problem has developed in the primary sector of the agricultural industry as a result of the financial problems of White Farm Equipment of Canada. The receiver has frozen the delivery of replacement parts, and I am certain the Minister will appreciate the severe difficulty such a move is causing to White dealers across the country, and subsequently to the farmers.

I ask the Minister to take a personal interest in this matter and give us a commitment to contact the receiver later today, as soon as possible, to work out some arrangement whereby these parts can be released and forwarded to dealers, so that farmers can get back into motion?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, we have already been in touch with the receiver. I understand he is giving some consideration to this if he has an infusion of capital, the sum of which I am not aware of right now. Apparently he has asked the owners of the company if they are going to put up this capital to take care of this parts situation during the interim period, until such time as they decide to either restructure the company or sell it to one of the prospective buyers.

* * *

• (1430)

ST. LAWRENCE SEAWAY

INCREASE IN LOCKAGE FEES

Mr. Girve Fretz (Erie): Madam Speaker, my question is directed to the Minister of Transport. In the debate over the important Crow rate the Minister has apparently forgotton an equally important issue, that is, the issue of shipping on the Great Lakes. In light of the many representations which have been made to me and other Hon. Members in the House with regard to the subject of lockage fees in the canals, I wonder if the Minister has considered repealing this unjust and crippling ruling.

Hon. Jean-Luc Pepin (Minister of Transport): Yes, Madam Speaker, I have brought that thought to the attention of the Seaway authority repeatedly. The answer that I have been given is that it has been studying that subject, that is, tonnage versus lockage fees. It has made a study of it. The study is still under consideration, but generally the mood has been to say that the present difficulties have been much more attributable to the general economic circumstances than to the decision to go to a form of lockage fees as opposed to tonnage fees.

Mr. Fretz: The Minister will understand that this especially hurts the owners of small ships and it affects jobs in my riding, those of the seamen who work on their ships and people who service and repair the ships as well.

REQUEST THAT MINISTER SEEK READJUSTMENT

Mr. Girve Fretz (Erie): In light of the fact that shipping is now down one-third, will the Minister continue to press for a readjustment or a complete elimination of lockage fees? Will he do that?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have given the answer which is considered to be the wise on at this time. However, if my hon. friend wants me to take up the subject again with the Seaway, I will, this afternoon or tomorrow.

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TRANSPORT

STUDY OF ATLANTIC FREIGHT RATE SUBSIDIES

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question is directed to the Minister of Transport. Recently the Minister established a major inquiry or study into Atlantic freight rate subsidies. Would the Minister indicate whether the establishment of that study is meant to signal that the Minister personally favours changes to the freight subsidies in question? If so, why, and specifically what does he have in mind?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the Minister of Transport has only one thing in mind, and he has been stating it for the last three years—

An Hon. Member: Kill the Crow.

Mr. Pepin: —that is, that the Government and the Department of Transport, in particular, have a responsibility, which is to spend money, the people's money, in the best possible way. Consequently the poor Minister of Transport occasionally sees fit, and others have done the same in the past, to make studies to see if the money is well spent.

My only contribution to the subject has been the establishment of a Maritime envelope. Moneys saved on subsidies are put back into the envelope and used for other transportation purposes, as in the case of highways, for example, recently and in the past year.

IMPACT OF SUBSIDIES ON REGION'S ECONOMY

Mr. Tom McMillan (Hillsborough): Madam Speaker, my supplementary question is directed to the Minister of Transport. He has a responsibility to consult with the Provinces affected by any changes in the freight rate subsidies. Given the fact that the Atlantic freight rate subsidies enable the four Atlantic Provinces to transport their goods from their region to central Canada, in particular, and at affordable cost, and given the fact that any major change in the freight rate subsidies would level a crippling blow to the economy of the entire region, would the Minister assure the House that he will consider the issue not only from the point of view of transport but also in terms of the economic welfare of the whole Atlantic region?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend mentions "a crippling blow". Other authorities on the subject, some of them from the Maritimes, have said the opposite, that these subsidies do not have a direct influence on economic development in the Maritimes. That is why we have a study, to find out which of those two positions makes sense. The study is going on now and we have collected the facts. We are analysing them, and later on we will discuss the conclusions. The consultant is discussing it with the most important groups in the Maritimes. Other officials of the Department will consult with other groups. In-depth cogitation by provincial and federal authorities will take place before a decision is made.

* * *

AGRICULTURE

STAFFING OF AGASSIZ RESEARCH STATION IN BRITISH COLUMBIA

Mr. Alex Patterson (Fraser Valley East): Madam Speaker, in the absence of the Minister of Agriculture I would like to direct my question to his Parliamentary Secretary. Why have there been reductions in authorized person-years at agricultural research stations in western Canada, particularly the Agassiz Research Station in my constituency of Fraser Valley East, whose work has gained world-wide acclaim, while staff allocations have been increased in other areas of Canada?

[*Translation*]

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, this question was answered previously by the Minister, who said that there had been no cutbacks in staff in any of the research stations and that existing staff had been distributed more efficiently within those stations. My hon. colleague can therefore rest assured that there will be no drop in service in the research stations in his province.

[*English*]

IMPACT ON RESEARCH PROJECTS

Mr. Alex Patterson (Fraser Valley East): I understand that there has been reduction in person-years.

I would like to ask the following question. Can the Parliamentary Secretary assure the House that the vital research and experimental work in progress at centres such as the Agassiz Research Station will not be adversely affected by any of these cutbacks?

[*Translation*]

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, I have taken note of the question and I shall certainly pass this information on to the Minister, who will be able to give my colleague the assurances he needs.

* * *

NATIONAL FILM BOARD

MAINTENANCE OF CHICOUTIMI REGIONAL OFFICE—INQUIRY WHETHER REPRESENTATIONS MADE

Mr. Gilles Marceau (Jonquière): Madam Speaker, my question is directed to the Minister of Communications. On April 5, 1983, the National Film Board announced its intention to proceed with selective shutdowns of regional offices. The Saguenay-Lac-Saint-Jean region will be the first to suffer from this discriminatory policy, at the end of August, 1983. My constituents are most upset by this unfair and unacceptable decision, and I have received many representations which I have submitted to the Minister, to the effect that not only were users of this service going to be penalized but the entire region as well, because it would thus be deprived of a major and essential federal presence. My question is as follows: Could the Minister inform the House whether he has made representations to the National Film Board to reconsider his decision and whether we can assume that the regional office of the National Film Board in Chicoutimi will be maintained without any cutbacks—

Madam Speaker: Order, please. I must remind Hon. Members that questions may not be read. Questions are, by their very nature, spontaneous, and I shall have to be stricter on this point, because it is the only way to keep questions fairly short.

Hon. Francis Fox (Minister of Communications): Madam Speaker, perhaps I may be allowed to answer the Hon. Member's question. I am aware that the question concerns many Members on both sides of the House, but perhaps I may say that I have received particularly strong representations from the Members for Chicoutimi, Lac-Saint-Jean, Jonquière, Thunder Bay and other regions in this country. I have transmitted these concerns to the Commissioner of the National Film Board of Canada who raised the question again with his

board of directors last Friday. After the board meeting, a decision was made to delay implementation of the board's decision to close the offices, until such time as other services would be available to provide the same level of service to the community.

* * *

[*English*]

INDUSTRY

NABU CORPORATION—AGREEMENT ON ACQUISITION OF CONSOLIDATED COMPUTERS INCORPORATED

Mr. Simon de Jong (Regina East): Madam Speaker, my question is addressed to the Minister of Industry, Trade and Commerce, and it concerns Nabu Manufacturing Corporation. As the Minister knows, this corporation acquired Consolidated Computer Incorporated for some $100,000 after the Government had sunk, and lost, some $125 million in that company. As well, the Government gave Nabu some $8.9 million last December as a research grant, yet the company is to lay off half of its workers, over 100 workers. Can the Minister tell us if the company has violated its agreement with the Government in terms of maintaining and creating jobs, and what sort of agreement did the Government have with Nabu Manufacturing?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, first I want to thank the Hon. Member for advance notice of the question.

With respect to the first part of the question—

An Hon. Member: Were any deals made?

Mr. Lumley: There were no deals made. This is a very legitimate question, and I am sure that Members of the Official Opposition would like to know the answer, too.

• (1440)

In answer to the first part of the question, Nabu has lived up to the employment commitment made under the contract with the Government with respect to the purchase of CCI. The discussion on the $8.9 million grant for research and development, which could create anywhere from 250 to 500 jobs, and many other jobs depending on how successful the research is, was held in a totally different context than the discussions with CCI.

GOVERNMENT POLICY ON JOB CREATION

Mr. Simon de Jong (Regina East): Madam Speaker, I find it incredible that after the $125 million loss the Government cannot guarantee that this company will maintain its jobs. The question is on when the Government agreement took effect, because in less than a year this company will have laid off half of its workers.

A former chief executive of the company is quoted as saying that "it was a pretty loosey goosey arrangement with the Government all along". Is the Minister prepared to tell us exactly what the Government's policy is, in terms of job creation and job guarantees, when it gives a $125 million company away for less than $100,000. What is the policy, and is the Minister prepared to make public the arrangements and agreements that the Government entered into with Nabu?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the Opposition cannot have it two ways. My colleague, the Minister of National Revenue, has been under attack for the last three or four weeks with respect to what we are doing with Canadair and de Havilland into which the Government has invested a substantial amount of money in order to protect Canadian workers and Canadian jobs in a high-tech industry. Now the Hon. Member is complaining from the other side of the fence that we should not have sold this company but should have continued to put more money into it. I wish the Opposition would make up their minds.

* * *

CROWN CORPORATIONS

CANADAIR—ACTIONS OF OFFICIALS

Hon. Ron Huntington (Capilano): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. With respect to the Canadair matter, the Minister has no doubt had an opportunity to review all the departmental and ministerial documents on that Crown corporation. Is he contemplating any action against those officials and members of the Crown corporation and those officials of his Department who have apparently deliberately misled the Ministers of that Department in the last two Governments?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, I think the charges made by the Hon. Member are very serious and that he ought to have the courage to make them outside the House. If a Minister is not satisfied with the work being done by people who work for him, it does not take him three or four months to make a decision.

[*English*]

INFORMATION GIVEN TO MINISTERS

Hon. Ron Huntington (Capilano): Madam Speaker, my question was directed to the Minister of Industry, Trade and Commerce who has the same background and historical documents on Canadair as his predecessors. I am asking if he is satisfied that the people preparing those documents for the Ministers not only of his Government but of the previous Government should be free of blame for the information that Ministers were given on that Crown corporation?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Government judges situations on the basis of documents and reports submitted by its officials, and the House is not the place to judge or criticize the work done by these officials.

* * *

[*English*]

INCOME TAX

PREPAYMENT OF TAX BY SENIOR CITIZENS—TREATMENT OF CANADA BONDS INCOME

Miss Aideen Nicholson (Trinity): Madam Speaker, my question is directed to the Minister of Finance. In view of the fact that retired persons are now required to pay income tax quarterly in March, June, and September, and that the prepayment imposes a hardship on some people whose income is derived primarily from Canada Savings Bonds which pay interest only in November, is the Minister considering an amendment to the legislation which would allow a more convenient method of payment for retired persons with limited incomes?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I thank the Hon. Member for her interest in the situation of retired persons and senior citizens. I must say that many Members of the House, particularly on this side of the House, have made representations to me in this regard.

I am examining this issue which I feel to be important. There are some difficulties that I would like to address at a later stage as I examine whether an amendment to the legislation would be appropriate. I am not however, in a position today to give an answer to the Hon. Member. I can only say that I am reviewing the situation with keen interest.

* * *

CORRECTIONAL SERVICE CANADA

PRICING POLICY OF CORCAN

Mr. Bruce Halliday (Oxford): Madam Speaker, my question is directed to the Solicitor General whom I see returning to the House. The Solicitor General will recall that during the last several years Members on both sides of the House have indicated concerns about the pricing policy of Corcan, the industry section of Correctional Services Canada. Could he confirm to the House that the policy of Corcan is indeed as he said to me in a letter, dated April 19, 1982, that Corcan's pricing is "to equal private sector fair market price for equivalent products sold in equivalent volumes"? Is this the present policy of Corcan, and would the Minister confirm that Corcan manufactures all of its products on a custom order basis?

Hon. Bob Kaplan (Solicitor General of Canada): No, Madam Speaker, not all of its products are made on a custom order basis. Some products are made in order to build up an inventory for sale. In fact the statement that the Hon. Member read from my letter about pricing policy is still the policy of Corcan.

Mr. Halliday: With respect to the ordering on a custom order basis, we understand from one of the officials that that is indeed their policy.

BIDDING ON PRINCE ALBERT CONTRACT

Mr. Bruce Halliday (Oxford): Madam Speaker, a particular order from the City of Prince Albert was bid on by ten different bidders, including Corcan. Their bid was one-third lower than the second lowest bid, and two-thirds lower than the highest. Will the Minister explain how that can happen if indeed they are trying to price at the same level as the private sector?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I was not aware of that particular price competition. I would like the opportunity to look into it, and I would be prepared to answer the Hon. Member's question as soon as possible.

* * *

IMMIGRATION

ADMISSION OF FOREIGN WORKERS—GOVERNMENT POLICY

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of Employment and Immigration. I am sure that he knows that there are close to two million Canadians out of work. In some areas of Canada foreign nationals are being allowed in to take jobs that could be filled by Canadians. On the "*Journal*" on March 10 the Minister had the following to say:

> —if an industry comes and says there's simply no Canadian available, then we say: 'Well, you may be allowed a foreign worker but you have to accompany that by a training program for a Canadian.'

Would the Minister comment on that because I am sure, as he knows, that that statement is patently false.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, the Hon. Member is using some fairly strong language. I wish he could provide a case to back it up.

EMPLOYMENT OF FOREIGN NATIONALS AT PRINCE RUPERT, B.C.

Mr. Jim Fulton (Skeena): Madam Speaker, on June 6 the Minister sent me a letter. On the second page he said:

> —there are no training programs accompanying the 16 positions occupied by U.S. citizens on the Ridley Island Port Development.

He went on to say that Swedish engineers, technicians, workers, and even an accountant, are allowed to work on the grain port at Prince Rupert. I am sure there are unemployed

workers, or an unemployed engineer or accountant somewhere in Canada who may be able to do that. Would he tell the House and Canadians why he made that false statement on the "Journal", and what the real policy is in terms of letting foreign nationals work in Canada?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, it is unfortunate that the Hon. Member did not have the courtesy to read the other part of the letter which pointed out that, in the case of the Ridley Island construction, those workers brought in from other countries were hired on a temporary basis because the equipment being installed was designed in another country and only those technicians had the particular competence to put it in.

It would seem to me that if the Hon. Member is going to read from the record he should read from the entire record, and not try to mislead the House.

Some Hon. Members: Hear, hear!

* * *

FEDERAL BUSINESS DEVELOPMENT BANK

INTEREST RATES CHARGED TO SMALL BUSINESSES

Mr. W. C. Scott (Victoria-Haliburton): Madam Speaker, my question is for the Minister responsible for the Federal Business Development Bank. I receive complaints every day from borrowers from this bank, which is supposedly to be the bank of last resort, that they are being charged 21.75 per cent interest rates. What will the Minister do at this time to relieve the pressure that is placed upon the small business people who have had to use the Federal Business Development Bank but are now being charged unrealistic interest on loans?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, my colleague, the Minister of State responsible for small business and tourism, who is responsible for the day-to-day operation of the Federal Business Development Bank, is with the Prince and Princess today. I will be happy to bring the Hon. Member's representation to his attention.

* * *

[*Translation*]

AIR TRANSPORT

NATIONALIZATION OF QUEBECAIR BY PROVINCE OF QUEBEC—GOVERNMENT POSITION

Mrs. Éva Côté (Rimouski-Témiscouata): Madam Speaker, my question is directed to the Hon. Minister of Transport.

I would like to ask the Minister whether he could inform the House of his reaction to yesterday's announcement by the Government of the Province of Quebec regarding the nationalization of Quebecair. I should also like to know whether the Minister is still prepared to assist in restructuring Quebecair.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I had several reactions, but I think that first of all, I was sorry to hear that the Quebec Minister of Transport has decided not to pursue our negotiations. I think he finally gave in to certain political ideas and psychological frustrations he has had for quite some time. I would say that his true self has surfaced. I am also sorry that this is the second time we have missed a chance to put Quebecair on a maximum efficiency and viability basis. I am sorry about this, and I think everyone will agree with me. What can we do now for Quebecair? We are not dog-in-the-mangerish. We are willing to co-operate. Air Canada is prepared to co-operate with Quebecers at the technical and administrative level. As far as I and my department are concerned, we are also interested in developing the third level in Quebec, namely, intraprovincial transport. However, as soon as I say that, Mr. Clair will take this as an insult to Quebec because according to the Minister, Quebec should be up there at the international, world and space levels!

* * *

• (1450)

[*English*]

COPYRIGHT

DISCUSSION OF REVISIONS TO LEGISLATION

Mr. John Bosley (Don Valley West): Madam Speaker, my question concerns the Copyright Act. I appreciate that the Minister responsible is not in the House, but perhaps someone could answer my question. There were printed reports yesterday to the effect that copyright revisions are currently being discussed with representatives of the Canadian Manufacturers Association and others. If the Government believes it is reasonable to discuss with business representatives proposed new amendments to the copyright legislation, could the Government please inform us why it decided not, on the same conditions and terms, to discuss those amendments with representatives of the Consumer Association of Canada, since presumably it is consumers that the copyright legislation is most intended to help?

Mr. David Berger (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, as far as I am aware, any of the discussions have been of a purely general nature. None of the specific revisions or proposals of the Government have been disclosed. Certainly all groups will be consulted when the legislation is tabled in the fall.

AUTHENTICITY OF PRESS REPORTS

Mr. John Bosley (Don Valley West): Madam Speaker, my supplementary question is directed to the Parliamentary Secretary. Is he saying that the press reports yesterday quoting various public officers of the Department, that private conversations were going on with representatives of business communities and not with consumers, are in fact not true? If so,

could he explain why those reports came out over the authority of press officers of his Department?

Mr. David Berger (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, I have not seen the actual press reports. I know that I have personally engaged in such consultations but, as I said in my previous answer, none of these consultations have divulged any of the proposals of the Government. They are ongoing consultations which the Department has had with respect to the copyright revisions.

* * *

FARM CREDIT CORPORATION

ACQUISITION OF FUNDS TO MEET BORROWERS' DEMANDS

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, my question is directed to the Minister of Finance who yesterday received a wire from the Canadian Federation of Agriculture asking him to allow the Farm Credit Corporation to make its own decisions regarding an appropriate level of borrowings on the open market for relending to farmers. Since FCC has now run out of money until next spring and desperately needs more money to handle the needs from the pent-up demand coming out of the high interest period, and from farmers seeking refinancing, could the Minister assure the House that he will not further restrict the attempts by FCC to acquire more funds to service this need and, if not, how does he propose to permit FCC to operate under its new mandate to raise funds on the so-called open market?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member is probably aware that the Minister of Finance has a certain responsibility for the Government's borrowing policies. I firmly intend to assume the responsibility vested in me by law and to do so completely and to the best of my knowledge.

As far as the specific point raised by the Hon. Member is concerned, I can inform him that I have been discussing this with the Minister of Agriculture for some time, and as soon as we finish our discussions, I can assure the Hon. Member that we shall be informing him of our conclusions.

[*English*]

DELAY IN APPROVING MINISTER'S APPLICATION TO CABINET

Mr. Gordon Towers (Red Deer): Madam Speaker, my supplementary question is directed to the President of the Treasury Board. In view of the fact that the Minister of Agriculture said that the Farm Credit Corporation was broke and that he had made application to Cabinet for approval for the FCC to go out on the money markets of the world, either through agri-bonds or otherwise, would the President of the Treasury Board tell the House what is the delay in allowing this application by the Minister of Agriculture to go forward?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, clearly, such a decision requires the co-operation of the Minister of Finance and Cabinet. We are looking into the financial consequences of such a possibility, and as soon as satisfactory conclusions have been reached, these will be announced.

[*English*]

TIMING OF CABINET APPROVAL

Mr. Gordon Towers (Red Deer): Madam Speaker, in view of the fact that farmers are really suffering because of lack of financing at the present time, could the Minister of Finance tell us when he expects this approval to be given to the Farm Credit Corporation?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Soon, Madam Speaker.

* * *

[*English*]

INDUSTRY

NABU CORPORATION—TERMS OF GOVERNMENT GRANT

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It relates to the $8.9 million which was given last December to Nabu Manufacturing Corporation. Was there a condition in that research grant that it was to maintain employment levels or increase employment levels?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, because it was a grant under STEP, which is for research and development assistance for high risk projects, there was no specific condition attached regarding the hiring or laying off of people. It was expected that the grant could create anywhere from 250 to 500 jobs if the project was successful. I am sure the Hon. Member knows there is a substantial amount of risk associated with high technology. That is why, in my response to the Member for Regina East, I indicated that there were two different aspects, the one with CCI and the one with the research development project that could create many jobs for Canadians in years to come.

Mr. Dick: I appreciate the Minister's comments. I realize that there are two different aspects to it.

CREATION OF JOBS IN OTHER COUNTRIES

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, my supplementary question is directed to the Minister of Employment and Immigration. The Government has made an awful lot of claims that, through supporting high technology, it expected to create a number of jobs in the future. Nabu has

now indicated that it will put its computer employment jobs offshore and that that is the reason it is cutting half of its present jobs. Does the Minister believe that the high technology industry will in fact create as many jobs as once thought?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, certainly there is a very strong strategy by the Government to encourage the growth and development of high technology which would source its equipment in Canada. As the Minister of Industry, Trade and Commerce has pointed out in several of his statements, we have to insist upon encouraging the development and growth of the high technology industry in Canada. The ways we can do that are to ensure that it does its purchasing here and at the same time is able to train people here.

The Hon. Member should know, because he is from the Ottawa area, that we recently signed an agreement with eight of the high level high technology firms in the Ottawa area to establish a new on-the-job training program for high technology, which will give them the ability to attract Canadian workers and train them for qualified work which can be made available here, and therefore encourage more work to be done in Canada.

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CROWN CORPORATIONS

CANADAIR—ADVICE GIVEN BY DEPARTMENTAL OFFICIAL—TESTIMONY GIVEN TO COMMITTEE

Mr. Chris Speyer (Cambridge): Madam Speaker, my question is directed to the Prime Minister. It concerns Canadair. In September, 1982 Cabinet was advised by Gordon Ritchie, Assistant Deputy Minister of Industry, to use his words, "of the high risk position of Canadair". The distorted position of the directors, perhaps for the reasons expressed by the Prime Minister, was expressed to the parliamentary committee in November. Why did Cabinet not act to rectify the distorted testimony given to the committee in November?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I cannot vouch for the exact dates, but my recollection is that it was around that time Cabinet began to seek ways to transfer control of Canadair to CDIC.

GOVERNMENT RESPONSIBILITY

Mr. Chris Speyer (Cambridge): Madam Speaker, if Cabinet was aware in September, 1982, of the financial jeopardy Canadair was in, does the Prime Minister not believe that Cabinet had a duty to an all-Party committee to correct the distortions which were left by the board of directors because of their zeal to sell the Challenger?

Right Hon. P. E. Trudeau (Prime Minister): No, Madam Speaker.

• (1500)

MINISTERIAL RESPONSIBILITY

Hon. Bill Jarvis (Perth): Madam Speaker, I have a supplementary question with regard to Canadair. My question is directed to the Minister of Industry, Trade and Commerce, to whom numerous questions have been directed, both today and on previous days, with respect to this issue. The Minister has refused to answer, permitting his colleague to respond. Does the Minister acknowledge a responsibility to reply with respect to Canadair for that period of time during which that company was reporting directly to the Ministry of Industry, Trade and Commerce, or does the Minister adopt the principle that he can escape his responsibility retroactively because the reporting process was changed to another Ministry?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, the Hon. Member ought to know that another Minister is responsible for Canadair, and that the Minister in question is accountable for any developments in this case.

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PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, June 21, 1983, meet the requirements of the Standing Orders as to form.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Chicoutimi (Mr. Dionne), Charlevoix (Mr. Lapointe), Abitibi (Mr. Gingras), Gatineau (Mr. Cousineau), Mégantic-Compton-Stanstead (Mr. Tessier), Saint-Jean (Mr. Massé), Lac-Saint-Jean (Mr. Gimaïel), Beauce (Mr. Lapointe), Lotbinière (Mr. Dubois), Louis-Hébert (Mr. Dawson) and Jonquière (Mr. Marceau), has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the Report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*.

Is that agreed?

Some Hon. Members: Agreed.

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that the objection signed by the Hon. Members for Charlevoix (Mr. Lapointe), Chicoutimi (Mr. Dionne), Portneuf (Mr. Dion), Lac-Saint-Jean (Mr. Gimaïel), Jonquière (Mr. Marceau), Lévis (Mr. Gourde), Abitibi (Mr. Gingras), Manicouagan (Mr. Maltais), Rimouski-Témiscouata (Mrs. Côté), Bonaventure-Îles-de-la-Madeleine (Mr. Bujold) and Chambly (Mr. Dupont), has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*.

Is that agreed?

Some Hon. Members: Agreed.

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF NEWFOUNDLAND

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Burin-St. George's (Mr. Simmons), Brome-Missisquoi (Mr. Bachand), Roberval (Mrs. Beauchamp-Niquet), Etobicoke North (Mr. MacLaren), Bonaventure-Îles-de-la-Madeleine (Mr. Bujold), Ottawa-Vanier (Mr. Gauthier), London West (Mr. Burghardt), Welland (Mr. Parent), Trinity (Miss Nicholson) and Ottawa Centre (Mr. Evans) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the Report of the Electoral Boundaries Commission for the Province of Newfoundland.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*.

Is that agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

LABOUR, MANPOWER AND IMMIGRATION—PRESENTATION OF SEVENTH REPORT OF STANDING COMMITTEE

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Madam Speaker, I have the honour to present the seventh report of the Standing Committee on Labour, Manpower and Immigration.

[*Translation*]

STANDING ORDERS AND PROCEDURE—PRESENTATION OF NINTH REPORT OF SPECIAL COMMITTEE

Mr. Thomas H. Lefebvre (Pontiac-Gatineau-Labelle): Madam Speaker, I have the honour of tabling the Ninth Report of the Special Committee on Standing Orders and Procedure.

[*English*]

I would like to add that this is a unanimous report in both of Canada's official languages.

[*Editor's Note: For above reports, see today's Votes and Proceedings.*]

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PETITIONS

MR. GREENAWAY—RECONSIDERATION OF BILL C-10

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, it is my duty to present a petition signed by 139 citizens of the Cariboo-Chilcotin riding of British Columbia. The purpose of this petition is to protest the provisions of Bill C-10 which would allow the Government to interfere in the affairs of churches and voluntary organizations. The petitioners hope that your examination of the petition you will find it in order and that you will exercise the discretionary powers vested in the office of the Speaker of the House to allow discussion at the earliest possible time in order that the flaws in this proposed legislation may be pointed out.

Madam Speaker: I congratulate the Hon. Member on the brevity of his presentation.

Some Hon. Members: Hear, hear!

MR. McMILLAN—ELIMINATION OF LEAD ADDITIVES TO GASOLINE

Mr. Tom McMillan (Hillsborough): Madam Speaker, the petition that the 1,267 undersigned residents of the Provinces of Ontario and Newfoundland, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly

sheweth that the practice of adding lead to gasoline is the leading source of high levels of lead in the Canadian environment.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to provide legislation which calls for the total elimination of lead additives to gasoline in Canada and to ensure that safe economical alternatives which are known to exist are provided.

MR. BLAIKIE—BROADCASTING REGULATIONS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, I have the honour and the duty to present petitions of my constituents, all of whom belong to the Springfield Heights Mennonite Church, who are concerned about pornography and the fact that the CRTC broadcasting regulations do not extend to women the same protection against abusive comments or abusive pictorial representation as now exists for racial and religious groups.

Wherefore they humbly pray and call upon Parliament to demonstrate its opposition to the denigration of women by enacting an Act to amend the Broadcasting Act, as introduced by Lynn McDonald, M.P. for Broadview-Greenwood, on March 8, 1983.

MR. McKNIGHT—METRIC MEASUREMENT

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, on behalf of petitioners from the Town of Alsask in the Province of Saskatchewan I wish to present a petition. The petitioners believe that Canadians should be free to use their customary Canadian measurements without threat of fine or imprisonment.

Wherefore the undersigned, your petitioners, humbly pray and call upon the Parliament of Canada to rescind the Order in Council making the use of metric measurements compulsory and to reinstitute voluntary freedom of choice in the use of measurements. And as in duty bound your petitioners will ever pray.

MR. YOUNG—SAFE DRINKING WATER

Mr. Neil Young (Beaches): Madam Speaker, I have a petition signed by 22 residents of the Province of Ontario. The petition of the undersigned residents in the Province of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefor provide a remedy, humbly sheweth that toxic chemicals are posing an increasing threat to the potable waters of this Province; that there is presently no legislation which will guarantee the safety and healthfulness of those waters; and that Canada's neighbour, the United States of America, has legislation entitled "The Safe Drinking Water Act, 1974".

Wherefore we, the undersigned, humbly pray and call upon Parliament to enact a safe drinking water act which will protect and enhance drinking water quality in all areas of Canada.

MR. ANGUISH—RETENTION OF CROWSNEST PASS RATE

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have a petition I would like to present today signed by the residents of Ponteix.

Wherefore the undersigned your petitioners humbly pray and call upon Parliament to maintain the present statutory Crow rate.

MR. HEAP—AMERICAN OPERATIONS IN NICARAGUA

Mr. Dan Heap (Spadina): Madam Speaker, I have the honour to present a petition from a number of residents of Ontario, who now exercise their right to present a grievance and humbly sheweth that we request and strongly advise the Canadian Government to express the following desire of the Canadian public to the American Government. We desire the immediate cessation of the American Government's operations against the Government and people of Nicaragua in the interests of international peace and freedom in Central America. And as in duty bound your petitioners will ever pray.

MR. PARKER—NUCLEAR WEAPONS

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, it is my duty and privilege to present a petition today on behalf of residents in all of the communities in Kootenay East-Revelstoke. The petition of the undersigned residents of Canada, who now exercise their right to present a grievance, humbly sheweth that whereas we now face an end to this planet as a result of the present nuclear arms race, therefore we, the undersigned petitioners, call on the Government of Canada actively to support a global freeze on testing, production and deployment of nuclear weapons and their delivery systems, to deny the United States permission to test the new Cruise missile system in Canada, to press all nations to pledge never to be the first to use nuclear weapons and to immediately set aside one-tenth of 1 per cent of Canada's defence budget, $7 million, for disarmament efforts. And as in duty bound your petitioners will ever pray.

RETENTION OF CROWSNEST PASS RATE

Mr. Rod Murphy (Churchill): Madam Speaker, I have the duty and honour to present a petition on behalf of residents of the riding of Kindersley-Lloydminster. In their petition these western Canadian farmers indicate that grain has contributed $6.3 billion to the balance of trade in the 1982-83 crop year and the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory grain Crow rates.

Mr. Les Benjamin (Regina West): Madam Speaker, I have the duty to present two petitions signed by 77 Canadian citizens of Rycroft, Peace River and Edmonton, Alberta, Ernfold, Chaplin and Morse in Saskatchewan, and Ottawa, Ontario. I must do this with all modesty. They have carefully considered the alternative plan presented on behalf of the New Democratic Party by Les Benjamin, M.P. for Regina West, and urge the Parliament of Canada to adopt the provisions in order that the statutory Crowsnest Pass freight rate may be maintained for grain producers.

Wherefore your undersigned petitioners humbly pray that Parliament will act in such a manner.

• (1510)

[*Translation*]

Mr. Pinard: Madam Speaker, I would like to draw the attention of the House to Standing Order 71(1).

[*English*]

MR. SKELLY—MARINE INDUSTRIAL STRATEGY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I have the honour of presenting a final petition that comes from a number of individuals from the Province of Manitoba and the Province of British Columbia in which those people request that the Government of Canada implement immediately a marine industrial strategy that would create thousands of jobs and billions of dollars in industrial benefits for Canadians. The petitioners implicitly support the concept of regional distribution of the benefits of the frigate program on a two-two-two basis, and finally, they would also implicitly support the concept that legislation should be passed immediately by the House of Commons to support the marine industrial policy that was developed by the Government in recent months.

* * *

INDUSTRIAL AND REGIONAL DEVELOPMENT ACT

MEASURE TO ESTABLISH

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion) moved for leave to introduce Bill C-165, an Act to provide for financial assistance for industrial development in all regions of Canada.

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. 4,709, 4,742, 4,854, 4,887, 4,891 and 4,950.

[*Text*]

STUDY OF ASA TABLETS BY UPSTATE MEDICAL CENTRE

Question No. 4,709—**Mr. Mitges:**

1. To the knowledge of the Government, did a study by the Upstate Medical Centre in Syracuse, New York indicate that pregnant women should not take the pain-killer acetylsalicylic acid tablets within five days of their delivery or immediately afterward because there was found evidence of unusual bleeding or haemorrhage?

2. Have there been any Canadian studies or other studies done to substantiate this claim and, if so, has there been any action by the Department of National Health and Welfare to alert the doctors and the general public?

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): 1. Yes, the Department of National Health and Welfare is aware that a study by the Upstate Medical Centre in Syracuse, New York indicated that pregnant women should not take the pain killer acetylsalicylic acid tablets within five days of their delivery or immediately afterward because evidence was found of unusual bleeding or haemorrhage.

2. Yes, the Department of National Health and Welfare has sponsored reviews of Canadian and foreign data relating to safety and effectiveness of analgesics by Expert Advisory Committees composed of nongovernment pharmacologists and clinicians on a number of occasions during the 1970s and 1980s.

These reviews led to the publication of Information Letter No. 565 in October, 1979 which cautioned that ASA might be harmful to the mother and/or her foetus when taken during the last three months of pregnancy. This was followed by Information Letter No. 622 (May 5, 1982) proposing that all products containing ASA would be required to carry the following warning on the label: "Do not take during the last three months of pregnancy or during lactation without prior consultation with a physician". This message went to Health Professional Associations, drug manufacturers and public advocacy groups for comment.

The final disposition of proposals in Information Letter No. 622 will be published in August, 1983.

REGISTRY OF INDIAN ARTS AND CRAFTS

Question No. 4,742—**Mr. Schellenberger:**

Does the Department of Indian Affairs and Northern Development keep a registry of all Indian arts and crafts it has in its possession including that used to decorate the offices of the Cabinet Ministers and the Department, as well as the Department's buildings in Canada, and are values attached to each?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): The Department of Indian Affairs and Northern Development has an inventory of all its holdings of art on an automated inventory control system. A more detailed record of each work of art is also maintained by the Indian Art Centre. Most of the Department's holdings of art are housed at headquarters, DIAND, 10 Wellington Street,

Hull, Quebec. The regional offices also have art holdings. These too are inventoried at headquarters. Since new curatorial procedures are now in the process of being developed, exact figures as to the value of individual works of art is not available. Our best estimate places the value of the collection at well over $1 million.

RESEARCH INTO DRUG INTERFERON

Question No. 4,854—**Mr. Howie:**

During the fiscal year (a) 1980-81 (b) 1981-82 (c) 1982-83, what financial support did the Government give to the research or development of the drug interferon?

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): In so far as the Department of National Health and Welfare is concerned: (a), (b) and (c) None.

In so far as the Medical Research Council is concerned: the following financial support (including salary support), was given for research in the development of the drug interferon.

(a) 1980-81 ..... $120,275
(b) 1981-82 ..... $222,927
(c) 1982-83 ..... $273,688.

POST OFFICE, SOOKE, B.C.

Question No. 4,887—**Mr. Manly:**

Was there a public tender for the new postal facility in Sooke, British Columbia and, if so, what were all the details, including information on the length of the leases and moneys involved?

Hon. Roméo LeBlanc (Minister of Public Works): Canada Post Corporation identified a requirement for 257 square metres of usable processing space for a period of ten years commencing February 1 1983.

On April 26 through 29, 1982, public advertisements were placed by Public Works Canada in major Vancouver, Victoria and local Vancouver Island newspapers requesting offers be submitted in accordance with standard Public Works Canada and Canada Post Corporation specifications. Tender call closed May 19 1982 with two valid offers being received. Both offers met all the terms and conditions of the tender specification and offered space at a gross rate of 280.73/square metre and 399/square metre respectively, firm for ten years.

Public Works Canada recommended the lowest offer, Canada Post Corporation concurred and a ten-year lease was entered into at a total annual cost of $83,298.11.

CANADIAN UNITY INFORMATION OFFICE

Question No. 4,891—**Mr. Blackburn:**

During certain times of the year, have staff members of the Canadian Unity Information Office performed a press clipping service for other Departments and, if so, how often is this service performed by the Office and does the requesting Department pay for the costs involved, including staff salaries, in the provision of this service?

Hon. Mark MacGuigan (Minister of Justice): Yes, the Canadian Unity Information Office does provide an in-house clipping service. These services are available upon request at no charge to the Departments. In 1983, the service was provided to departments an average of three times per month.

TELEPHONE REFERRAL SERVICES

Question No. 4,950—**Mr. Reid (Kenora-Rainy River):**

1. Is there a listing under Telephone Referral Services for the Province of Ontario, the Province of Prince Edward Island and the Northwest Territories in the 1983 edition of the "Index to Federal Programs and Services 1983" and, if not, for what reason?

2. Does the Government maintain telephone referral services for the Provinces of Ontario and Prince Edward Island and the Northwest Territories and (a) if not, for what reason (b) if so, for what reason is it not listed in the Index?

3. Was a decision reached to exclude the Provinces of Ontario and Prince Edward Island and the Northwest Territories from the Telephone Referral Services and, if so, for what reason?

Hon. J.-J. Blais (Minister of Supply and Services): The Index to Federal Programs and Services 1983 list the federal and joint federal-provincial telephone referral services which were operational in January, 1983 and therefore available to the public. Listings for Ontario, Prince Edward Island and the Northwest Territories were not in the 1983 Index as service was not available at that time.

An agreement has been signed with Prince Edward Island to establish a joint federal-provincial telephone referral service. The referral service, which is listed in the most recent telephone directory, has just started up. The numbers (in Charlottetown—local 566-7575, long distance, call toll free 1-566-7575) will be listed in the next edition of the Index.

In the Northwest Territories, a joint service with the territorial government was not possible and a federal referral system was considered not economical as some federal Departments and Agencies already provide toll free service to this region. These telephone numbers are included in the 1983 edition of the Index.

In Ontario a federal toll free service will be in operation by September 1, 1983.

[*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, 4,675 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. 4,675 be deemed to be made an order for return?

Some Hon. Members: Agreed.

[*Text*]

ADVISORY COUNCIL OF CANADIAN WHEAT BOARD

Question No. 4,675—**Mr. Mazankowski:**

1. What are the names and addresses of the current members of the Advisory Council of the Canadian Wheat Board and what are the terms of their appointments?

2. Is an honorarium provided to the members of the Council and, if so, what is the amount?

3. What were the names and addresses of the immediate past members of the Council and what were the terms of their appointments?

4. During the term of the past members, how many meetings of the Council were held and in which cities were they held?

5. In the case of each immediate past member of the Council, what was the total honorarium received during his/her term and what were his/her expenses for each year during their term for (a) travel (b) food (c) accommodation relating to the Council's meetings?

6. During the term of the immediate past Council and excluding the meetings covered in part 5, did any member travel outside or inside Canada on Council or Canadian Wheat Board business and, if so, what was his/her name and what was the (a) purpose (b) cost of each trip?

7. For each immediate past member, what other related expenses, if any, were claimed during his/her term?

Return tabled.

[*English*]

Mr. Smith: I would ask, Madam Speaker, that all remaining questions be allowed to stand.

* * *

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I would ask that all notices of motions for the prodution of papers be allowed to stand.

Madam Speaker: Shall the notices of motions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport; and the motion of Mr. Lachance (p. 26521).

Mr. Gordon Taylor (Bow River): Mr. Speaker, another feature of the freedom of choice concept is that it hurts nobody. It does not hurt the railways. It puts the railways in a position that if they give good service, the people will use the railways. The more efficient the railways become, the more money they would make. That is the proper way for a free enterprise project to work.

It will not hurt the farmers of Quebec. The farmers of Quebec will still have their markets and will still have their own subsidies. Freedom of choice for western Canadians will not hurt the Quebec people. It will not hurt anybody.

It will not hurt the Government. As a matter of fact, it will be of benefit to the Government because it will allow the Government to show that it is democratic by getting back to the people and letting the people decide some of these things. The freedom of choice proposition has tremendous possibilities.

Freedom of choice would be beneficial to every farm family home in western Canada because the husband and wife and children could decide what is best for them and how they want to use the money. The people will have the say. That is a wonderful concept, and I would like to see it adopted by the Government. It would be to its credit to adopt it.

There are three or four things I would like to mention in regard to this whole issue. First, we expect the railways to be adequately compensated. They must be compensated. While they should not be making exorbitant profit, they should be making a reasonable profit so that they can do the things they want to do as can any other business. The Government should make it clear, though, that it has a funding commitment and will undertake that. There should be adequate rail service with guaranteed capacity and the best way to guarantee service in the rail transportation industries in western Canada is to allow freedom of choice.

As the official of CPR that I spoke with said: "If we do not operate well, they will take their business somewhere else. If we operate well, they will bring their money to us, they will bring their goods to us, they will bring their wheat and their crops to us." Good service will bring the railways more and more business in a proper and legitimate fashion.

The Hon. Minister said that he wanted to remove the distortions that existed and Gilson said that the only possible way to remove those distortions is to put the shortfall money in the pockets of the producers. That is what Gilson and some of the best agricultural minds of western Canada have said. The Hon. Minister should accept that. The railways will have an ongoing obligation and so will the Government. These freight anomalies should be removed.

I see that you are waving at me, Mr. Speaker. I feel like waving back because there are another dozen things that I would like to say. But I do want to say that the freedom of choice proposition should be incorporated in this Bill. If it is not and if the Government is going to stick with Bill C-155 as

it is presently written, it would be better to throw the whole thing out and revert back to the Crow rate.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I am pleased to rise to speak on this very important legislation, Bill C-155. At the same time, I am pleased to pay tribute to the outstanding contributions which have been made by my colleagues, in particular the Hon. Members for Regina West (Mr. Benjamin), Prince Albert (Mr. Hovdebo) and Humboldt-Lake Centre (Mr. Althouse), who have done such an outstanding job in communicating to the people of Canada the position taken by the New Democratic Party on this very important legislation.

I would like to emphasize, Mr. Speaker, that this issue does not affect only one region of the country. This issue is of national importance. Even though the Crow rate has effectively been described as the Magna Carta of the West, in many ways the ramifications of this Bill go far beyond the West. I as a representative of a constituency in British Columbia have a number of very serious concerns about the effect this Bill would have on my constituents. I know that in the course of this debate my colleagues have tried to bring forth the concerns they have as to how the Bill might affect not only their constituents but people all across the country.

I would note as well that we are faced with a very important question of process when dealing with this legislation. It has been suggested, in effect, that there has been enough debate. Parliament is being gagged and muzzled by the motion put forward by the Hon. Member for Rosemont (Mr. Lachance) which would effectively deny us any opportunity to improve this legislation in principle at second reading. Any possible amendments are being presented. There were a number of amendments we suggested which we believed would have improved this legislation, but through a parliamentary device which was last used in the House, I believe, in 1955 we are being stifled and debate is in effect being closed. This kind of back door closure and trickery is completely unacceptable.

• (1520)

We have heard the Official Opposition talk about freedom of choice. In many respects, for the farmer freedom of choice means freedom to choose how he or she is to be shafted by the PC proposals. Effectively, there are no safeguards whatsoever to ensure that the farming community will not be very badly hurt by the legislation. We have seen estimates which show that some $6,000 per year will be lost by the average farmer. The Government has the nerve to suggest that he should accept that and that this debate should be ended. That is not acceptable, Mr. Speaker.

I have noted that this is an issue of national importance. I should like to draw the attention of the House to a statement made by the Prime Minister (Mr. Trudeau) primarily in western Canada with respect to this legislation. He said that he was hearing different views on the Crow rate from different groups in the West and that he had made it clear that the Government would like to settle the matter in a way which would achieve the greatest possible consensus in the West.

There is far from being a consensus in the West, Mr. Speaker. This is one of the most divisive pieces of legislation ever seen in western Canada. On February 13, 1981 the Prime Minister said that at the present time it was the Government's policy not to touch the Crow rate, but if there was a general feeling in the West that the question must be reopened, then it would be happy to do so.

Not only is there not a general feeling in the West that the Crow rate should be reopened, but in fact the general feeling in the West is quite to the contrary. The Government of Saskatchewan, the Government of Manitoba and the Government of Alberta were not quite sure where they stood. Certainly they have been rather silent on this important issue although they have been vociferous on other questions, such as that of dismantling medicare in Alberta.

I should like to deal with some of the particular concerns that Members from British Columbia have about the legislation. I would preface my remarks by saying that it is rather curious that in this bonanza for the CPR—and that is what it is, a bonanza for the CPR—there is no suggestion there be a quid pro quo. It might be one thing if we were to be told that the poor, suffering CPR was finally going to be adequately compensated for transporting grain if in exchange, as a quid pro quo, it were to turn Marathon Realty over to the people of Canada. But we do not hear anything about the profit-making subsidiaries of CP Rail, Mr. Speaker.

Last year this corporate giant had a profit of $485 million on assets over $16 billion, so the silence is rather curious in view of the suggestion that a bargain was made with the people of Canada, particularly with the farmers in western Canada. That bargain is being broken with this legislation. That sacred trust with the farmers of western Canada and indeed with this country is being broken. In exchange for an agreement to transport grain at the statutory rate, CP Rail was given vast tracts of land, mineral rights and money.

It has been suggested that if CP were suddenly to renege on the bargain, the taxpayers of Canada have the right to insist that the resources involved be put into the hands of the people of Canada. I have heard very little about this from Members of the Official Opposition and Members of the Government. As we know very well, both Parties receive very significant corporate contributions from CP Rail, so perhaps that is why the old saying "He who pays the piper expects to call the tune" is appropriate in his case.

It has been suggested that shippers of other products in British Columbia might pay more as a result of the Crow rate, but that is not so, Mr. Speaker. To change the Crow rate will not in any way relax the freight rate screw on other shippers. The railways are in a monopoly position in western Canada and will set their rate at whatever the market will bear. In any event, the transportation of grain accounts for only 13 per cent of total transportation. The Government of Alberta, that great free enterprise Government, admits that the railways would continue to set rates on the historic basis and would not be affected by the increased grain revenues.

We are not just criticizing the Bill, saying that it must be withdrawn for all the reasons so eloquently stated across the country by the Hon. Member for Regina West, the Hon. Member for Yorkton-Melville (Mr. Nystrom), the Hon. Member for New Westminster-Coquitlam (Miss Jewett), the Hon. Member for Winnipeg-St. James (Mr. Keeper), the Hon. Member for Spadina (Mr. Heap) and others, but we offer a real, constructive alternative.

It may be asked what a New Democratic Party government would do in this area. We readily accept that it is essential that the rail system in this country be upgraded, but the history of the Government shows a systematic dismantling of the best components of our railway system. I recall vividly the proposals made to get rid of some of the most essential branch lines in western Canada when the Minister of Transport (Mr. Pepin) decided to axe VIA Rail. I believe that for a long time CP Rail has been ripping off the people of Canada. If the Bill were enacted in its present form, it would have the effect of Parliament sanctioning a continued rip-off.

What this Party has called for is better investment to upgrade the railways; an equity position for the people of Canada for any money that goes into CP Rail; and, one day in the not too distant future, we should seriously consider bringing that great corporate giant under public ownership. The time has come to recognize that it has failed to serve the people of Canada and appropriate steps should be taken to bring it under the control and direction of the people of Canada.

I urge the Government to withdraw this nefarious piece of legislation which is so destructive of the whole country, Mr. Speaker. I certainly hope the Government will come to its senses, that its Conservative allies will come to their senses, and that the legislation will be reconsidered.

Mr. Nystrom: Mr. Speaker, I rise on a point of order. I wonder if the Hon. Member for Burnaby (Mr. Robinson) would be willing to answer a question.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Blaker): Order, please. I am not sure that I heard the Hon. Member for Yorkton-Melville (Mr. Nystrom) properly. Would he please repeat his point of order?

Mr. Nystrom: Mr. Speaker, I wondered whether the Hon. Member for Burnaby would be willing to entertain a question at this time.

The Acting Speaker (Mr. Blaker): That would require the unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Albert Cooper (Peace River): Mr. Speaker, I am glad to have an opportunity to enter the debate on this motion today. I thought it would be a rather lengthy motion so I looked it up on the Order Paper and saw that it is very simple. It reads:

That this question be now put.

It sounds almost insignificant. However, there are a whole lot of implications in this one short sentence. Knowing my good friend, the Hon. Member who introduced the motion, as usual what he says has hidden implications.

• (1530)

This sentence gives me some concern because essentially what we are doing with that short phrase is moving into closure. We are cutting off debate. It is not the usual closure motion, but in fact that is simply what it accomplishes. There will be no room for further amendments. Therefore, any hope we had for discussion on various aspects of the Crow Bill is cut off. There is no chance for further debate on issues like the freedom of choice option which has been put forward by the Hon. Member for Vegreville (Mr. Mazankowski). There is no assurance at this point that we, as an Opposition and as Hon. Members, in my case from the West, who are particularly concerned about this Bill and the effect of the legislation, have really been heard yet by the Minister. As a result of the motion, we do have some concerns because what in fact we are facing is closure.

The question I suppose then is: Why do we have closure at this particular time? The Government is always going to say that a Government has a right to legislate. It has the right to pass its laws, to introduce them into the House, and to make sure that those laws are debated and passed through the legislative process. We know that the Standing Orders of the House do make considerable reference to that opportunity. A great deal of the Standing Orders are put in place precisely for that purpose.

Of course, that is the viewpoint of the Government on that particular issue. However, on the other side of the coin, one principle which I believe is equally important is the viewpoint of the Opposition and its right—you might even say its duty—to oppose legislation in the hopes of obtaining improvement, to oppose legislation in the hopes of bringing to light some of the flaws that we as an Opposition see in a particular piece of legislation. Just as there are Standing Orders on the one side to allow the Government to proceed with its legislation, there are also Standing Orders on the other side to allow the Opposition the full and complete opportunity to oppose, to enter into debate and to discuss and report legislation. Therefore, those provisions are of equal importance to the Government's purpose. They also serve a very significant purpose in what happens in this House and what happens to legislation, and ultimately what we hope is good legislation coming through the House of Commons.

The question really boils down to why do we, as an Opposition, want to see an extended, careful, thorough debate on Bill C-155, the Crow legislation? The reason is that we feel it is important. I feel we can essentially look at approximately four particular reasons why we want to see this legislation given a thorough airing. First, it is because of the fact that the Crow is

of fundamental importance, particularly to the West, but having a dramatic effect on all of Canada. That is because it is a long-term program. The Crow rate is a program which has been going on for a long period of time and any changes will have a continued effect for the foreseeable future.

Second, this particular program has been of great benefit to farmers over the years. It has allowed them time for planning, and that has been significant if one looks at many of our farmers in terms of rapidly increasing costs such as fuel, fertilizer, machinery, land, interest, development of land and so on. All those costs become very significant. Something as stable as the Crow benefit over a long period of time has allowed our farmers to plan and has allowed them to do some serious and straightforward thinking.

The farmers in my region are concerned about still having to develop some land. That was one of the original purposes of the Crow benefit. It was to allow our early farmers to be able to bring their agricultural land onstream and to develop it. In Peace River country that is quite an involved process. That means taking trees off the land, taking out the roots and breaking the land, all of which is expensive. There is still a very viable purpose for this in my area because we are still trying to bring on new land. We have a lot of agricultural land left which is tree covered, which is not yet into production. Therefore, the Crow benefit still has that particular benefit to farmers in the Peace River country.

Another reason why I believe it is necessary to have good, clear, concise debate is that the Crow rate is now nearly 100 years old. Surely, when we come into a situation such as we are facing here in the House of Commons now, there should be very little, if any, difficulty in setting aside a few months or a few hours of debate in order to assure that we do what is right to this particular piece of legislation which will have such a dramatic impact on the West and in fact on all of Canada. However, as usual, this Government once again is in a big hurry. It has to rush it through. It has to use closure in whatever form to accomplish its particular interests and goals. It is not concerned about what happens to those who are directly and dramatically affected by this legislation.

Another reason for having a good debate on this particular issue is that the Government does not have any representation in the West. Surely it is not unreasonable to ask that this House take a little time to hear some of the viewpoints which reflect that region of the country which is not represented on the Government's side in this particular legislation. There must be time to entertain amendments because those amendments provide new debate and new discussion and the chance of improving the legislation. There must be time to look at general improvements in the Bill, one of which I referred to earlier in my remarks, the proposal of freedom of choice which was put forward by the Hon. Member for Vegreville.

The whole concept of freedom of choice becomes very significant and very important to people in a region such as I represent simply because we have in so many of our areas large parts of the riding which are not serviced by rail and, therefore, our farmers must load their grain into trucks and travel as much as 100 to 120 miles to the nearest railhead. Therefore, the possibility of having a choice in terms of how farmers ship their grain and where that Crow benefit would be paid becomes very significant to them. That is one of the issues on which I would like to see a full discussion here in the House of Commons. That could have been very simply done through amendments, through discussions with the Minister and through various debates in the House. Today, however, we see this opportunity coming to an end very simply because of the motion which has been put forward that the question be now put, which is essentially closure, so that the whole debate comes grinding to a halt.

Another reason I believe it is important that we have a good debate is the basic lack of trust in this Government from coast to coast in this country. If one looks at the Gallup polls, one sees that on a national average it has around 30 per cent or 32 per cent support. That is on a national average; in the particular part of the country from which I come it is significantly lower than that. Therefore there is a real basic lack of trust.

Why has that come about? I believe part of the reason has to be because of debate and debating opportunities here in the House of Commons. I can refer to one particular piece of legislation which was railroaded through here not too long ago, the National Energy Program. We saw that piece of legislation, which was so interventionist and had such a dramatic effect on western Canada, forced through the House with very little input from western Members because, obviously, if any Hon. Member from western Canada had had any genuine opportunity to improve that legislation, we would not have the same problems we have now. In my area alone unemployment has gone up some four times since the NEP. Investment is down, bankruptcies are up, and dreams have simply been destroyed. So the bottom line, Mr. Speaker, is that once again we have some legislation very important to western Canada before this House of Commons, and once again the Government is bringing in closure. Once again we as western Canadians are asking why. What is the purpose? What is the Government doing? It is no wonder the Liberals have no elected representatives in our area; if they keep going at the present rate, they are not going to have any in the future.

• (1540)

The Acting Speaker (Mr. Blaker): Before I recognize the Hon. Member for New Westminster-Coquitlam (Miss Jewett), I think it is in order that the Chair make one or two general observations. I did not interrupt the Hon. Member for Peace River (Mr. Cooper), nor have I interrupted other Hon. Members, but there is a rule of relevance in this House. While it is the most difficult rule to enforce, some effort should be made to address the Bill in front of the House. That is the first point I want to make.

Secondly, if some Hon. Members seek to interpret the rules or Standing Orders of this House in their own manner and perception, I think probably it is the responsibility of the Chair not to intervene and correct those interpretations. On the other hand, it concerns the Chair that words are used which are not

in fact relevant to the Standing Orders of this House of Commons. I do not think I see any opportunity for me or for any occupant of the chair to intervene because these words also have political connotations and I understand them and accept them. But some care should be taken. If certain expressions are used and they are said to be interpretations of the Standing Orders, it becomes difficult for the Chair in those circumstances.

That is as far as I will go in that regard and I do not think I will intervene again on that subject.

Miss Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, the Hon. Member who preceded me commented on the fact that the debate was grinding down, coming to an end. If that is so, it is because the Conservatives are not participating fully in the debate.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. Blaker): I have just, in what I thought was the most delicate way, suggested that Members might like to address themselves to the Bill before the House. Relevance is a very difficult topic but I do think the Chair has some responsibility to encourage Members to address themselves to the Bill.

Mr. Anguish: Point of order, Mr. Speaker. When Members participating in this debate have taken all sorts of shots at political parties, when the list of speakers is likely coming to an end in a very short period of time because most of the Members who are interested have spoken in this debate, I do not see how all of a sudden you can force the rule of relevance where the Member who is speaking now and the previous speaker did not go beyond what has already been accepted in this House.

The Acting Speaker (Mr. Blaker): I want to advise the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) that whatever may be tolerated at one moment does not necessarily become the new Standing Orders or regulations pertinent to the House, nor is it an obligation upon the Chair. Furthermore, I want to make sure that the Hon. Member understands that I have not made a ruling, I have simply encouraged Hon. Members to remind themselves of the rule of relevance and to address the Bill if they can.

Miss Jewett: Mr. Speaker, I was about to point out how relevant the remarks I am making are to the Bill because the Conservatives have been arguing that the matter of the question now being put is in their eyes, I guess in everyone's eyes, a form of closure. They have been arguing strenuously that they need more and more time for debate, yet they would have to put up—and I figured this out—37 more speakers to equal the degree to which we have participated.

The Acting Speaker (Mr. Blaker): I have indicated that I think the Hon. Member should address herself to the Bill. I understand the difficulty and I have been one of those in the Chair during times when Hon. Members have addressed themselves to a dispute between political parties. I understand that, but I do think the Hon. Member should begin by referring to the Bill we are talking about. That would at least show some concern over relevance.

Mr. Mazankowski: Mr. Speaker, a point of order. I do not think the Hon. Member should be imputing motives. She is suggesting that we are not putting up our share of speakers. I simply want to point out that we are putting up the speakers who want to speak. They make their own speeches and they speak with sincerity and compassion; they do not read speeches prepared by the speech writers of the research department of their Party.

The Acting Speaker (Mr. Blaker): Order, please. If there were any point of order relating to the imputation of motives, the Hon. Member for Vegreville (Mr. Mazankowski) has just done exactly that.

Miss Jewett: The Hon. Member for Vegreville will see in a minute that I have no written speech whatsoever. Mr. Speaker, again I am really trying to be fair. We are discussing the matter of this question now being put according to Standing Order 56, and I felt that it should be on the record. I will then cease and go on to the Bill, but I felt, since we are talking about this Standing Order, that I should point out that the Conservatives would need 37 more speakers to equal our contribution.

The Acting Speaker (Mr. Blaker): Order, please. This is the third time I have warned the Hon. Member. If she proceeds in this fashion I will see another Hon. Member.

Miss Jewett: Mr. Speaker, one of the things the Government is pushing down our throats which bothers me more than anything else is the fact that it has denied a bargain, one could almost say a constitutional bargain. It is revoking that bargain unilaterally. I am surprised that the Minister of Transport (Mr. Pepin), who is a distinguished political historian, does not recognize more fully that this country was based on a series of understandings between the French and English, between central Canada and the eastern part of the country, and between central Canada and the West, the Prairies and British Columbia. Now, from time to time in our history these understandings have been broken. Certainly they are modified from time to time because that is the nature of social progress. One cannot always stick exactly to the original understanding because society changes and understandings have to change with it.

Nevertheless, in the case before us there is a fundamental understanding which is, I think as far as any Canadian is concerned, still relevant and important. The understanding was that while the CPR would be provided with a great number of enormous incentives, and they have all been discussed many times in this debate, they in turn would have certain obligations. In return for all the incentives of land, mineral rights and other things, they have the obligation to see that the Crowsnest Pass rate is maintained.

A related set of understandings, equally relevant today—and in a sense it goes back to Macdonald's national policy—were that encouragement was given the manufacturing sector in central Canada in order to survive. At that time the encouragement thought necessary was a protective tariff, thereby requiring western Canadians to buy their goods at a much higher cost than they would have if they simply went across the border. Western Canadians on the other hand, in return for giving up the cheaper manufactured goods, would themselves be supported in such matters as freight rates. Then we in western Canada, particularly prairie Canada—and we are mostly speaking of wheat—could get our produce on to world markets at a competitive and fair price.

• (1550)

Those understandings are really built very deeply into our society, even if they are not constitutionally embraced. That is what the Bill is destroying. It is destroying these understandings. It would have been one matter if the Bill had done something really creative in connection with the coal lands. It would seem to me that the federal Government and all Canadian Governments have, for far too long, assumed a right to the coal lands. I am now speaking in particular of those in British Columbia. It would have been an act of real understanding had the Government proposed restoring the coal lands to the Province of British Columbia in a separate Bill, as we have suggested.

The whole matter should have been divided into separate Bills. Not only has the Government, in the Bill, gone back on early agreements, bargains and understandings among Canadians in the West and the central part of the country as between the CPR and the farmers, but it has not even tried to restore to the Province of British Columbia what would seem to many of us to be a logical and very valuable ownership right.

The second important point, one which has perhaps not been emphasized sufficiently, is that contrary to what the Government seems to think, namely that the legislation will somehow enhance the activities of Canadian ports, if the Bill does pass the actual result will be that Canadian grain will be diverted, down the line, through U.S. ports. I would be grateful if people who are more knowledgeable with respect to transportation than I would correct me if I am wrong. However, if we do not have the Crow rate, it will be substantially cheaper to export our grain through U.S. ports rather than Canadian ports.

CN and CP already have lines to Duluth, Minnesota where grain could be loaded on to boats for shipment on the Great Lakes. CP owns tracks through its subsidiary Sault Lines to Minneapolis, Minnesota where grain could be loaded on to barges for shipment to export elevators at New Orleans. Minneapolis, as we know, is closer to southern Saskatchewan than Thunder Bay. Because the U.S. inland waterway system is heavily subsidized, barge rates from Minneapolis to New Orleans are less expensive than Lake transportation from Thunder Bay to Montreal.

Under the Government's plan, by 1986 it will cost $8 a tonne less to ship grain rail-barge via New Orleans than rail-Lake via Thunder bay and Montreal. The people who have been studying this matter say that this advantage to New Orleans will grow in succeeding years and it will eventually also become less expensive to ship all rail from Saskatchewan to new Orleans than rail-Lake via Thunder Bay and Montreal. Far from enhancing the role and the activities of Canadian ports, far from helping to make them more prosperous, the long-term consequences of the Government's cancelling of the Crow rate will be to make Canadian ports less prosperous.

A final point about which I am particularly concerned is that in revoking the Crow rate the Government is showing, in the most outspoken fashion possible, that it is really only interested in the big guys, the powerful, the agri-business kind of operation, not the family farm. It is interested in the big corporations, such as the CPR, which has grown into the largest corporate entity in Canada with $16 billion in assets and enormous monopolistic powers. The Government favours more, just as the Tories favour more, the big power, the big corporate entity, the huge cattle rancher, not the average one. The average one has a heard of less than 50. However, the Government is deliberately making life harder for the small and medium-sized farmer or cattleman and making life much easier, in fact making life extremely attractive, I understand, from all evidence that has been put before me, for the big guys, the ones in agri-business and the ones who have huge herds.

It bothers me to find that when other Parties in the country should be concerned with conserving values which we all hold dear, one of them being, of course, the value of independent farmers, they are taking steps which will destroy the independent farmer in this country, ending up by giving support only to huge corporate entities both in the industrial and agricultural sectors.

I would not simply or not only urge that there be amendments, but I would also particularly urge the Official Opposition to join us in opposing the Bill in its entirety.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I would first like to mention the very difficult constraints under which you have placed us in the debate with your comments of a few minutes ago. I would like to refer Your Honour to last night's proceedings as reported in *Hansard*. At that time, three Members of the NDP, the Hon. Member for Comox-Powell River (Mr. Skelly), the Hon. Member for Selkirk-Interlake (Mr. Sargeant) and the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) spent about 75 per cent of their time scolding the Conservative Party for things that had happened back to Sir John A. Macdonald's time.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): Order, please. The Hon. Member for Victoria is quite correct. One of the rules which the Chair is supposed to enforce is relevance. As debate ranges on, after a certain amount of time what appears to become the

case is that the tenuous links to relevance disappear altogether and another type of argument or debate takes place on the floor. There is no difficulty in my mind, as one of the occupants of the chair, that at a certain point comments may be made related to the behaviour of other political Parties or other political debate. However, the Chair does need some relevance to the Bill in front of the House. I know that it is difficult. I assure the Hon. Member that every occupant of every chair in the Commonwealth has always found that relevance is the most difficult possible rule to apply.

I think that if we use a little bit of common sense with a little bit of concern, we will find that if an Hon. Member simply addresses himself or herself to the Bill and wishes to tie in other matters as well, that will be acceptable. However, without the slightest tie-in, without the slightest relation to the Bill, then the Chair begins to worry about its responsibility involving relevance. Therefore, I accept the Hon. Member's point. There is no question but that there have been speeches which, to my mind, and I would presume to the minds of other occupants of the chair, have stretched the rule of relevance a great deal. I thought it was time to intervene and suggest that some effort be made to address the Bill.

• (1600)

Mr. Blaikie: Mr. Speaker, I rise on a point of order. In my own defence, the Hon. Member referred to a speech that I made yesterday as not being within the bounds of relevancy. At that time, the Speaker did not make that ruling. I was responding to what had been said by a previous speaker who was not ruled outside the bounds of relevancy. I regard what I had to say yesterday as being quite relevant even if the Hon. Member did not like it.

The Acting Speaker (Mr. Blaker): It was I who was in the chair when the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) spoke yesterday. I noted his comments with respect to how the 1979 and 1980 elections came about. As it happened, I had been in the chair previously when he raised the matter. It is clear that this is not relevant to the Bill in front of the House. I let it go because the Hon. Member for Winnipeg-Birds Hill only took two or three minutes to deal with that matter and because it had been within previous debate.

I do not think that I am being unfair to Hon. Members. Nothing prohibits good, sharp political debate. I am simply suggesting that it would be of help if it could be tied to the Bill that is before the House.

Mr. Blaikie: On the same point of order.

The Acting Speaker (Mr. Blaker): I have heard the Hon. Member but I will hear him again.

Mr. Blaikie: I appreciate your remarks, Mr. Speaker. I just wish the Hon. Member for Victoria (Mr. McKinnon) had been as accurate as you in his evaluation of my speech.

Mr. McKinnon: Mr. Speaker, I hardly know whether I am speaking on the point of order at this time or on the debate. I can hardly resist saying that the Hon. Member for Winnipeg-Birds Hill filled a full column of *Hansard* before he said anything close to the Bill last night.

Mr. Deans: Order. Be relevant.

Mr. McKinnon: I would like to talk about the problems of transportation in this country. These problems go back some considerable length of time. I believe it is usually part of the Liberal Party's disposition to choose a Minister who does not like transportation and make him Minister of Transport.

When I first came here the Hon. Jean Marchand, now the distinguished Speaker in the other place, was the Minister of Transport. One of my first experiences with disillusioned Ministers came when he told the House with a Gallic shrug of the shoulders that transport was in a mess. It was in a mess then and it is now. In fact, the mess that transport is in seems to be endemic to Canadian politics. There is one glittering exception and that is in the period of 1979 when a person who knows about transport and loves transport was Minister of Transport, the Hon. Member for Vegreville (Mr. Mazankowski).

The Government has devised some of the most incompetent methods of dealing with these difficult times in which it finds itself. They have so mismanaged a series of bills for which there was hope of passage that the Opposition becomes enraged at the introduction of each Bill. There are incidents of preliminary discussions of the Bill in press releases and interviews with Ministers who say what the Bill will likely accomplish. I can think of several of these occurrences recently. I believe it is indicative of the disintegration of the Government that is occurring.

We can think of the Solicitor General (Mr. Kaplan) bringing in a Bill on the security force. This country is ready to have a civilian security force because the McDonald Commission pointed out what was wrong. The Government introduced this security force legislation while adding on a few regulations to make it anathema to everyone in the House, including Members on the Government side, I presume. That is why we see difficult legislation such as this, which need not be nearly so difficult, being jammed in at the end of June in an attempt to get it through. We have our extended hours and these rancorous debates and attempts by the Opposition to stop the Government the only way they know how—by prolonging the passage of Bills through the House. The same situation is true of Canagrex. There is nothing the Government could have done to enrage the Opposition more than bring in legislation such as Canagrex and try to pass it in the closing days of the session.

The VIA Rail cutback is another example of Government mismanagement. Of course, VIA Rail was brought in to take over the passenger service of the railway.

Mr. Dionne (Northumberland-Miramichi): How is that relevant?

Mr. McKinnon: I think this has quite a bit to do with the Bill. The CPR and the CNR wanted to get out of the passenger business because they were losing money on moving grain in western Canada. I think they are connected. When the Government implemented VIA Rail—which was a great pleasure to the Party on my left, I am sure—there was a great and sudden cut in services which occurred in the most outrageous and arbitrary fashion imaginable. Of course, as happens whenever the Government takes anything over, it immediately began losing money and becoming more out of control. Yesterday's report on VIA Rail shows that federal subsidies totalled $449 million in 1982, which is up from $422 million in 1981.

It was interesting to hear the Hon. Member for Burnaby (Mr. Robinson) say in his remarks that the CPR should be brought under public ownership. They want to nationalize it right away because it is making money. They want to turn it into a loser the same as all other Crown corporations. This would be the same philosophy as those who said we should get into the aircraft industry. While the Prime Minister (Mr. Trudeau) pretends that nobody would take over Canadair in 1976 or 1977, the truth of the matter is that the Government paid $47 million for a company for which no one else would pay anything.

At that time the present Minister of Energy, Mines and Resources (Mr. Chrétien) accused me of calling the Government stupid for getting into the Canadair deal. I clearly remember a point of order which was raised on that matter. I claimed that I had not said that the Government was stupid but that it was simply soft-headed to get into that deal. Some $2 billion later, I think the Minister would probably agree with me. Of course, he no longer has the responsibility for it since he has changed portfolios.

The worst example of all is the Crowsnest Pass rate. This subsidy must be to western Canada what several types of subsidies are to other parts of Canada. That is, they are regional subsidies. For example, we have the salmon enhancement program on the West Coast which probably exists on the East Coast as well. Fisheries do not always operate as profit-making organizations so the Government puts in money to subsidize them. In other parts of the country there are subsidies for the construction of dams for power. We have the well known protective freight rates that protect central Canada so it will remain the industrial heart of the country.

Up until now the prairie farmer had the Crowsnest Pass freight rate. That was his subsidy. We know that the Government has no Members in that area who have any idea of the enormity of the problem that they are creating. It decided that since those people had not voted Liberal it would retaliate, and that is the purpose of this Bill, to remove the subsidy from the farmer and give it to the CPR.

I can hardly believe my ears when I hear the NDP say that they are in favour of the CPR receiving the subsidy rather than the grain producers. But then, what can one expect from that Party? They voted the wrong way on the Constitution. Their leader voted one way and the western membership voted the other way. That is probably their difficulty, having a western membership and a leadership and boardrooms in Oshawa from where the Party is essentially run. That creates some problems. They had their palace revolt and I presume there will be another one later today.

In any event, the NDP went from the constitutional disaster to the National Energy Program which, in itself, is one of the most disastrous things that ever happened to industry until the Government got into Canadair. Canadair and the National Energy Program are now running neck in neck as to which will be the most damaging blow to the Canadian economy. From there they moved on to the point where approximately one year ago the NDP were the only Party in the House that voted against a Bill which would have cut MPs' pay by 5 per cent and did so over their objections.

From there they moved on to the freedom of information Bill for which everyone in the country has waited many years. They voted against that legislation. The NDP has problems. The 16 per cent of the popular wish which they have in the country has not grown in the ten years that I have been here. They are due for a rather precipitous shrinking in the next election.

• (1610)

I would like to talk about one matter in which British Columbians are interested. I am referring to the provision in the Bill to allow the Government to take back the coal lands from CPR. The coal lands were donated on a two-way switch by the Province of British Columbia. They were given to the CPR but the federal Government was to be the intermediary. Apparently, according to the records which I saw, the Province gave the coal lands to the federal Government and the federal Government, in turn, gave them to the CPR so that it would build the railroad through the mountains. Now the Government will take them back as part of this deal, but it will not return them to the people of British Columbia.

These are among the richest coal lands remaining in Canada. They have an almost unlimited amount of very superior quality coal. Once again the federal Government will get its hands on them. Whenever it sees anything that can be sold at a profit or into which it can become involved to prevent a profit—

The Acting Speaker (Mr. Reid (Kenora-Rainy River)): Order, please. I regret to interrupt the Hon. Member but his allotted time has expired.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is a pleasure to speak once again on the Crow rate issue and to avail the House of Commons of my deep and great knowledge and understanding of this subject, a knowledge and understanding surpassed only by the Parliamentary Secretary to the Minister of Transport (Mr. Flis) who hails from downtown Toronto.

We must remember that this afternoon we are really talking about the motion put before the House by the Hon. Member for Rosemont (Mr. Lachance), the intention of which is again to limit debate on this subject. It is certainly my intention and

it is the intention of Members on this side of the House to vote in opposition to the motion, which is tantamount to closure.

The point at issue is that second reading debate deals with the principle of the Bill before us. If second reading is passed and the matter goes to committee, it is assumed that there is general agreement on the principles in the Bill. It is then put forward to committee so taht the details can be examined. We all know after having listened to the rather limited debate so far that there is no general agreement on the principles of this Bill. There are several principles on which there is no real agreement, and debate should continue until some form of consensus has been worked out.

The Hon. Member for Mackenzie (Mr. Korchinski) spoke eloquently this morning. He gave rise to suspicions which I am sure secretly exist with all Hon. Members, suspicions of a conspiracy between the Liberals opposite and the New Democratic Party to my left. Just listening to these two sets of gentlemen, it might not come immediately to mind that that is exactly what is taking place, but let us examine the strategies employed by these two like-minded political Parties.

First I will take the Liberals as an example. They have presented us with a wall of silence. They know that their position is indefensible and for that reason they have not cared to try to defend it. The minister of Agriculture (Mr. Whelan), who should have the interests of farmers at heart, has spoken only once during the debate. His sole contribution was to give notice of time allocation; that is all the Minister of Agriculture has done.

We have listened for the last two days and I do not think there have been more than tow Members of the Liberal Party who cared to stand up and present us with any views at all. We heard the Hon. Member for Lévis (Mr. Gourde) speak very briefly for about two or three minutes this morning. His sole contribution was a diatribe against Mr. Brian Mulroney who will shortly be the Right Hon. Brian Mulroney.

Some Hon. Members: Hear, hear!

Mr. Nickerson: It was evident that he was scared of what this gentleman might do. He might well be scared because his job as the Hon. Member for Lévis is at stake and he knows it full well, as do other Liberal Members from Quebec.

Now I go to the Members of the New Democratic Party. I thought for a while that they too were engaging in this conspiracy of silence. This morning while this matter was under debate they did not put up a single speaker, and I think they have only put up two speakers so far this afternoon. If we examine their approach to the matter, we will see that it has been one of mindless opposition—there is to be absolutely no change to the Crow rates and the system of agriculture in western Canada which has existed since the last century, a century where they still belong. Their contribution has been described by the Minister of Transport (Mr. Pepin) as reactionary. I would describe it as blockheadedness. They want no change at all. They want little elevators every four miles along the railway track. They want farmers going along on horses and carts delivering a few bushels of grain. They want the old boxcars. They are not prepared to look at new modifications to the western transportation system. They belong back in the days of the horse and buggy.

When we examine the approach taken by the Liberal Government and the New Democratic Party, we see that it is a conspiracy because Members of the NDP know they are not rational and responsible and will not take a look at what the western grain transportation system really needs. They know full well that they will fail, that there is no way we will return to the days of the horse and buggy. They will go back to their constituencies and say "We fought against the Crow", while in actual fact they played into the hands of their colleagues in the Liberal Government and did more than anyone else to ensure that the Crow proposal in its present form goes through.

We, on the other hand, have taken what I would describe to be a reasonable, rational and responsible approach to the problem. We recognize the need for change. We want to see a modern and efficient grain transportation system. To that end, our transportation critic, the Hon. Member for Vegreville (Mr. Mazankowski), has very eloquently presented a series of principles which we would like to see incorporated in any Bill that deals with Crow rates.

First we have to realize that this is a very imperfect world and that every major grain exporting country engages in some form of subsidization to its grain producers, one way or another. Therefore, we need a freight rate for western grain which will enable our producers to be competitive with producers in the United States, Argentina, Australia and other countries. We agree that there should be a special rate for the shipment of grains.

Second, we believe in the principle of providing fair compensation to the railways. We know that the accountants who work for the railways have some pretty sharp pencils; they can do wonders with figures. But there is no doubt at the present time that the recompense of the railways is not sufficient for them to engage in major capital improvements.

Third, we want to guarantee producers an efficient, cost-effective and reliable grain transportation system.

We agree, as a fourth principle, that the present distortions which exist in the marketplace for transportation should be removed. There are natural advantages to doing certain things in certain parts of Canada. Grain can be grown better in the West than it can in the Maritimes; livestock can be produced in some areas better than in others. We need a system which maintains the natural advantages of doing certain things in certain areas of the country. To do that will render the whole system most efficient and will result in a natural and efficient allocation of resources.

• (1620)

The farmers want a freight rate that is known and predictable, not like the one in the Bill where no one knows what the rate will be years hence. Farmers must know where they will stand a year or two from now.

I could go on at great length on this most important matter but I see that my time has come to an end. In conclusion, I and the other Members of this Party will vote in opposition to the proposition put forward by the Hon. Member for Rosemont.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Blaker): Order. It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Human Rights—Internment of Japanese Canadians—Payment of compensation. (b) Form of compensation; the Hon. Member for Provencher (Mr. Epp)—Supply and Services—Percentage of procurement from Manitoba suppliers. (b) Request that Manitoba orders be increased; the Hon. Member for Saskatoon West (Mr. Hnatyshyn)—Sports—Denial of National Hockey League franchise to Saskatoon-Request that Prime Minister intervene. (b) Request for fair hearing.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport; and the motion of Mr. Lachance (p. 26521).

Mr. John Kushner (Calgary East): Mr. Speaker, I rise to speak against Bill C-155, and rightly so. Having been raised on a farm, I want to say that the Crow is really outdated and needs overhaul. It should have been done years ago. However, the Government has not addressed the problem.

The Gilson Commission came out with a reasonable report. It would have been acceptable. However, the Government has decided instead to railroad this Bill through. It will divide the East from the West even more than it is today. It will destroy the hopes of Canadians and the unity of this country.

Having been raised on a farm, I quite appreciate this situation with regard to grain handling, cattle raising or hog raising. Grain handling certainly does not meet the needs of today. I remember the time when we used a team of horses to haul 60 bushels of grain. At times we used four horses and hauled 80 bushels. The elevators are still the same today; they do not meet our present needs.

This Government has destroyed hope and incentive in this country. With regard to grain transportation, we are still in the horse and buggy days; there is no question about that. It really bothers me. Because our transportation system is so outdated, we are losing between $1.5 billion and $2 billion in sales. This proposed Bill will make the situation even worse. This Government, which is further dividing Canadians, is now beginning to crumble. Thank God it is coming to an end.

Mr. Hnatyshyn: There are only four supporters left.

Mr. Kushner: The Liberals are so interested in this Bill that we now have only four Members of that Party in the Chamber.

Mr. Deans: Not one from western Canada.

Mr. Kushner: That is true. The Government is not doing what is best for the country but what is best for the Party. It is unfortunate that it has reached this stage.

Mr. Flis: It is best for Canada.

Mr. Kushner: It certainly is not. The grain handling system does not meet the needs of today. This not only affects the grain and hog producer but it is affecting the coal, sulphur, lumber and packing industries. They are being destroyed. Thousands and thousands of jobs have been lost in the last several years from Vancouver to Toronto. It is needless to say how many packing plants have been closed in western Canada because of inadequate transportation and the Crow rate. There is no question in my mind about that.

At one time I was an employee of Canada Packers in Winnipeg. That was during the hungry thirties or, as some refer to it, the good old days. I and a couple of other fellows were going to Toronto to look for a job. In Winnipeg we met a bunch of guys who were returning from Toronto. They told us that they had been there and there was no sense in our going. Therefore, a couple of us decided to go to Canada Packers for a job. When we arrived, there were about 300 people waiting to be called for a job. Lo and behold, on the third day the guy called me, accepted me and gave me a job.

It is tough working in the packing industry, but very interesting. It is a shame what the Government has done to the packing industry of western Canada at the expense of the taxpayers. It has not only done this to the packing industry, but to the transportation industry and the economy in general. How does the Government expect to implement this Bill in its present form when most Canadians object to it? In spite of that, the Minister is determined to railroad the Bill through against the will of Canadian taxpayers and the industry.

When the Gilson Report was commissioned by the Government, there were consultations between the industry and the farmers in order to arrive at an acceptable rate or an acceptable proposal to be made by the Government. The Government

ignored the proposal and has come up with a Bill that is definitely unacceptable to western Canadians and Canadians in general.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I want to direct your Honour's attention to the fact that over and over in the course of the debate today there has been reference to an undertaking made by the Minister of Transport (Mr. Pepin) that, in the event this matter passes second reading, there will be an opportunity for the Standing Committee seized with the responsibility of this legislation to travel across this country in order to hear representations from a variety of people who are interested in the legislation.

● (1630)

The point of order I raise, Mr. Speaker, is that I do not believe this to be a statement that was actually made by the Minister. As I understand it, there was no commitment made. I raise this point of ordr as the Minister is now in the House, so that we may have this information clearly and unequivocally before us before taking a vote on second reading.

My point is that I do not believe that representations should be made which are not based on fact and which in fact would mislead Members of the House of Commons. This should be clearly stated by the Minister, and I would appreciate it if he could address himself to the question of whether or not he is agreeable to having the committee travel the country to hear representations made by interested parties, particularly those in western Canada.

The Acting Speaker (Mr. Blaker): In the interests of moving the business of the House forward, I will accept the Hon. Member's point although as he knows, it is not a point of order. However, if the Hon. Minister of Transport (Mr. Pepin) wishes to reply, I will consider it part of the business of the House.

Mr. Pepin: Mr. Speaker, in only one minute I can put that to rest. I made no such commitment.

Mr. Hnatyshyn: It was on the news yesterday.

Mr. Pepin: Yes, but that was not a quote from the Minister of Transport; it was an interpretation made by the reporter. I made no such commitment because I am not allowed to make such a commitment. I am told by my House Leader that this decision is to be made first by the committee.

Mr. Hnatyshyn: Are you receptive to that suggestion?

Mr. Pepin: If the committee wants to travel, it must ask the permission of the House and the House may or may not give that permission. I am not willing to anticipate what view the committee would have on that subject.

Mr. Bill Yurko (Edmonton East): Mr. Speaker, I am sure I will not add anything to this debate that has not been said already, but I feel that it is appropriate for me, as a grandson on one side and a great grandson and the other of pioneers who came to western Canada during the Sifton era and settled on 160 acres of land and attempted to produce grain, to say a few words on this debate.

I do not need to tell you, Mr. Speaker, that most of these pioneers who came to western Canada and bought 160 acres of land for $20 subsequently sold that land at very highly escalated prices. Not for one minute would anyone suggest that capital gains made on that land should revert back to the Government or anybody else. All of those families held the assets that they were given as pioneers. Therefore, I always have some difficulty when reference is made to the notion that the shareholders of CPR who also got some land should indeed turn that land back over to the Government. I say that in fairness to the events of that particular era.

I do want to say, Mr. Speaker, that the farmer is the servant of all and the master of none. Yet he produces the most vital commodity to man, food. This Bill massively interferes with the process of growing, producing and shipping food in western Canada. That process of growing, producing and shipping food is an evolutionary process in the West. It occurs over a considerable length of time, not over short periods of time. When any Government tries to change the process of this evolution, it had better be mighty careful that it does not move too fast and create revolutionary change rather than evolutionary change. The system can be partially destroyed by revolutionary change in this most vital of areas, the growth of food.

What do I have to say, Mr. Speaker, about the rate of change and the manner of change that is being made to the food growing industry in western Canada by Bill C-155? First, I want to say that Bill C-155, in my view, is massively flawed. It is an administrative and regulatory nightmare. I say that as a former Minister in the Province of Alberta who had the opportunity for seven years to structure and administer regulations.

This is a depressing Bill. Indeed, as I said earlier in the House, there are 40,278 lawyers in Canada, more per capita, I think, than in any other free country in the world. It is my belief that this Bill, as I read it, would create the need for several thousand more lawyers. It is not specific. The wording itself is, in most instances, unbelievably vague.

Second, Mr. Speaker, the rate of change to the freight rate structure is, in my view, much too rapid, even though the Minister has brought forth the ceiling which I appreciate very much and which would tend to help slow the process down. I wish that that ceiling had been incorporated earlier so that many of the adverse aspects of it could have been ruled out earlier.

Increasing input costs on any commodity by ten times in the next decade would create a change that is just too rapid. I am not particularly against changing the Crow, and I have put a motion on the paper that proposes indexing the Crow to inflation because I realize that it must change.

Mr. Pepin: It would be higher.

Mr. Yurko: No, no. With a ceiling, the rate of change would be slower than the change proposed by the Minister. It is the rate of change that bothers me. It is much too rapid a change over too short a period of time. It is revolutionary change. It would destroy a large part of the western economic industry that I grew up with, those little farmers who are dependent upon an income which is quite limited.

The third point that I draw to the attention of the Minister, Mr. Speaker, is that the redistribution of the Crow subsidy is, in my view, not equitable. It simply must be more related to what Gilson said and must be examined in much more depth in terms of the manner in which that money is redistributed. I know a suggestion has been made about freedom of choice, but I have some difficulty with that suggestion also. I am bothered by the fact that indeed, because of this suggestion, land speculators would tend to buy land for the simple purpose of harvesting the Crow. The Crow as I calculate it may indeed be in the order of $20 to $25 an acre, depending on whether it was calculated on an acreage basis over the entire period of the increase in freight rates. That is quite a bit of money per acre. I can see land speculators going for this in a substantive way which would increase the price of land substantially. They would rent the land using some form of contract and pocket the entire Crow subsidy.

Mr. Pepin: It balances out.

Mr. Yurko: There may be a balance, but I do not know that there is. I simply suggest that the freedom of choice proposition, through it is appealing and contains some aspects which I find acceptable, would have to be studied further.

Mr. Pepin: Sooner or later you have to make up your mind. To govern is to choose. You have to choose.

Mr. Yurko: Mr. Speaker, I would like to indicate to the Minister the fourth reason that I have difficulty with the Bill, and I agree with the Minister when he says that sooner or later a choice must be made. I quite agree that at some point a choice must be made. I thought I had just barely started, Mr. Speaker. These nine minutes have gone by quickly.

The fourth problem with the Bill, of course, is that it increases considerably the disparity between raw and finished food products in the West. I do not think that that is appropriate for the West at all.

The fifth problem I have, of course, is that the politics surrounding the issue are just terrible. The entire political scene of Canada is not the appropriate forum in which to change the very fundamental basis upon which the West opened up and upon which indeed it grew. I suggest to the Minister that if he were to serve another term, and I am not wishing that on him, he might delay this measure for another four or five years and in fact bring it back in four or five years.

● (1640)

When the Bill goes to committee I hope the Minister will do everything possible to ensure that the Committee travels. I know he cannot say that it should but he could certainly suggest that. The Committee should hold hearings in Regina and some of the small towns in the West and I know the Minister could arrange that if he wanted to.

Mr. Pepin: For how many years?

Mr. Yurko: Mr. Speaker, in the West there are three land transportation systems. The first is the railway system, the second is the pipeline system and the third is the highway system. We built a massive highway system under total subsidization by two forms of Government. Governments own the land base and do the maintenance. There is not a toll station on any highway in the West. That massive subsidy given to the highway system has literally destroyed the railway system in the West. I have no difficulty with the federal Government and some provincial Governments massively subsidizing the rebuilding of the railway system because they have done so for the competitive highway system. No truck pays one cent for the use of the highway system in the West, except for the very modest licence fee.

There is no subsidy for the pipeline system either. I investigated the question of shipping grain by pipeline and when I was a Minister in Alberta I also investigated the question of shipping coal by pipeline. Pipeline shipping for some food commodities will eventually find its place in western Canada.

The railway system has been neglected, however. It has suffered inflationary pressures. The solution to its problems has been delayed for years and, as a result, inflation has caused distortion. The Minister is trying to correct the problems too quickly. He is trying to impose revolutionary change on a system which cannot and should not take it.

I do not disagree with the work the Minister has done on this issue in the past but I believe it is incomplete. Hearings should be held in the West so that people can appear before the Committee and have their say.

Mr. Mazankowski: Mr. Speaker, I have a point of order.

The Acting Speaker (Mr. Blaker): Perhaps the Hon. Member for Vegreville (Mr. Mazankowski) would permit me to intervene before I hear his point of order.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Blaker): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-164, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending 31 March, 1984.

WESTERN GRAIN TRANSPORTATION ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Pepin that Bill C-155, an Act to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Transport; and the motion of Mr. Lachance (p. 26521).

Mr. Mazankowski: Mr. Speaker, this may be a somewhat irregular point of order. I wonder if the Minister could indicate to the House whether he will enter the debate before it concludes. Also, does he intend to recommend that the Standing Committee on Transport should travel? Will he make that recommendation and can he indicate when Committee hearings will start?

The Acting Speaker (Mr. Blaker): As the Hon. Member for Vegreville (Mr. Mazankowski) has noted, that is not a point of order, but I have already accepted a similar point from another Hon. Member. I want to warn the House, however, that if the Minister of Transport (Mr. Pepin) were to speak, under the rules that would end debate. I think we can accept the proposition if the Minister wishes to answer what we will call a point of order, but that will not constitute a speech on his part.

Mr. Mazankowski: With respect, Mr. Speaker, we are not debating the motion at this time but the previous question. I suggest that your interpretation may be somewhat incorrect.

The Acting Speaker (Mr. Blaker): That is twice in two days. The Hon. Member for Vegreville is quite correct. As far as I recall, the Minister of Transport has not spoken on the previous question. In any event, I do not think we ought to entertain an invitation to make speeches in the way it has been done. If the Minister of Transport wishes to speak he can be recognized.

I indicated to another Hon. Member earlier that I would accept a point of order for the purpose of allowing the business of the House to go forward.

Mr. Pepin: Mr. Speaker, I will not make a speech but just a couple of remarks.

I was asked if I was going to recommend to the Committee that it should travel. I indicated to the Hon. Member for Saskatoon West (Mr. Hnatyshyn) a few minutes ago what my House Leader had told me a couple of times, that the decision to travel or not to travel is for the Committee to make. I do not know why CBC quoted me the way it did yesterday—

Mr. Mazankowski: Is there a deal or is there not?

Mr. Pepin: No, there is no deal at all. If there is a deal, it is public and that is what I am talking about now. There is no agreement secretly arrived at. I said that the Committee must express its views first on whether it will travel or not. It has then to make a request to the House and the House has to approve or disapprove. I have no intention of questioning that pattern.

On the question whether I will make a speech before the end of the debate, this is the first time I have been asked to do that. I made a fairly long speech at the beginning of the debate and I thought that I had exhausted most of the subject.

At the first meeting of the Committee I intend to review everything and to try and answer all questions on the 10 per cent, the 31.1 million tonnes and all that.

The Hon. Member for Vegreville follows me very carefully and I follow him very carefully so he knows that I have expressed my views on most of these issues. When I have wanted to I have done so. In answer to a question from his colleague on the 31.1, I remember sending a little note to my friend to the effect that he must have observed that I had answered that question.

On the 10 per cent question, which is the difference between the cost of rail transportation and the transportation of grain at the international price of grain, I have said this is the figure we have arrived at. We started higher than that. I can defend the 10 per cent very well both in statistical terms and intellectual terms, but I have said that I would be willing to listen to argument.

I do not think I have much to add at this point. I will be available in Committee and I will do my very best to answer all questions and inquiries. Some of my friends seem to accuse me—I am making a speech now, Mr. Speaker and I do not want to do that.

Mr. Mazankowski: When will the Committee hearings start?

Mr. Pepin: We will start as soon as we can. If the Bill is passed today I expect the steering committee will meet tomorrow. Perhaps that question should be addressed to the chairman. We will get organized as rapidly as we can and start with energy next week. We will do our best to lay the foundation for the rest of the work and make a study and analysis of the different parts of the debate. I will be delighted to prove to the Hon. Member for Hamilton Mountain (Mr. Deans) that every part is interrelated essentially, and not only in passing. We will do all the work and then we will continue.

Mr. Mazankowski: Mr. Speaker, we may be facilitating the debate and I appreciate your indulgence.

Perhaps I could direct a question to the chairman of the Standing Committee on Transport and ask whether he has any views on when the Committee hearing might commence. Also, will arrangements be made for travel or will he await the decision of the steering committee?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I have some pretty definite views but, as the Hon. Member knows, in my role as chairman I have tried to be the servant and not the master of the Committee. As soon as the Bill is referred to the Committee I intend to call a meeting of the subcommittee on procedure and agenda. I will have a proposal

to put before the subcommittee at the time. We will discuss it there and bring it before the full Committee, hopefully before the end of June. Included in that proposal I will have a suggestion for the Committee to consider with regard to our schedule of hearings.

• (1650)

Whether we travel or not is a matter, as the Minister has rightly said, in my opinion, for the committee to make. However, I remind the Hon. Member that unless we have authority from the House, we cannot travel. Also, unless we have authority from the House we cannot engage professional or expert staff. Therefore, our decision will be somewhat limited by the reference we receive from the House.

The Acting Speaker (Mr. Blaker): The Hon. Member for Hamilton Mountain (Mr. Deans) on a point of order.

Mr. Deans: No, Mr. Speaker, I intend to engage in debate.

Mr. Benjamin: Mr. Speaker, if, as and when the Transport Committee, or its steering committee, requests the House for an order of reference to travel from place to place in Canada, to hear witnesses and to be provided with staff, may I ask the Minister if he will use his good offices to support such a request? Will he in turn request his Cabinet colleagues and the Government House Leader to allow that order of reference to be presented in the House of Commons in order to prevent what has happened too many other times, that a committee has unanimously asked for an order of reference and the Government has not allowed it?

The Acting Speaker (Mr. Blaker): Order, please. The Chair has attempted in every way to co-operate with the mood of the House in attempting to move the business forward. However, I believe we ought not to enter into a question and answer period. The Hon. Member for Regina West (Mr. Benjamin) has made his point.

Mr. Pepin: Mr. Speaker, I bluntly said I have no intention to state the whole of my mind on this subject today. I am not playing games. I believe what the Committee will do, when the Committee will sit, how often it will sit, where it will sit, if that question comes up, is a package, a total thing. That is what I would expect the chairman of the Committee to do, to develop a full package with a timetable and everything. It is only when one sees the totality of that proposition that one can pass judgment on it.

Mr. Deans: I am sorry, Mr. Speaker, I did not intend to rise on this matter, but yesterday you will recall that I asked this question in the House of Commons with regard to the right of the Committee to travel, whether the Minister thought it would be appropriate, in his mind, without in any way attempting to direct the Committee, for the Committee to travel and to hear other than simply institutional representations. I do not believe I divulge any private conversation when I say that the Minister indicated to me, after the question, that although he did not feel that it would be appropriate for every farmer in the country to be heard—and I do not feel anyone expected that would be the case in any event—he did feel, however, that it would be appropriate for farmers to be given a chance to be heard. I want to be sure that I understood him properly, lest maybe I have misunderstood. I would not like to think I had.

Mr. Pepin: Mr. Speaker, I feel the Hon. Member simply went beyond what I had in mind at that time. You can listen to farmers in Ottawa. You can bring them to Ottawa to express their views before the Committee. In other words, you do not have to travel to Regina, Saskatoon, Edmonton, Calgary and Winnipeg necessarily to listen to farmers. I am being very frank. I did not connect the hearing of the individual farmers with travelling when I answered the question, to be very frank about it.

The Acting Speaker (Mr. Blaker): Again, the Chair is anxious to assist the House. However, I must warn Hon. Members that there is nothing approaching debate in what is occurring at the moment. I point out that a meeting of House Leaders or Ministers and Hon. Members behind the curtains could probably resolve these matters in a few minutes. I want to be of assistance. However, I point out we are operating outside of our Standing Orders. If I say that this is the last point of order, doubtless someone will rise and insist on another point of order. However, I hope this is the last point in that regard.

Mr. Deans: Mr. Speaker, I can assure you that, as far as I am concerned, it will be the last time I will rise on a point of order. May I ask the Minister if he would just address a simple question? Yesterday I asked in the House if the Minister was prepared to have the Committee travel to those places to which there would be the easiest access for the farmers who are most affected, and others who are affected, to make representations. I subsequently spoke to him about that and I drew from his comment that he would not oppose the Committee travelling, to give reasonably easy access to those who are at this point in the year tied up most of the day and into the night conducting their business on the farms. A lot of what will happen in the next hour will hinge on the answer. Is the Minister now telling me that he does not feel that it would be appropriate for the Committee to go out and allow farm representation? Or is he saying that he feels that if the Committee were to want to do that, he would feel that that would be advisable and a useful exercise?

Mr. Pepin: Mr. Speaker, I have already answered the question. I want to see the total presentation of how the Committee will operate during the summer. The answer I gave yesterday, from which my hon. friend drew his quote, I do not believe gave him an authorization to do that. We spoke afterwards about the date of implementation.

What I said, Mr. Speaker, if my hon. friend insists on having my own views—and I was unnecessarily daring at that point—was that I should have thought first there would be a happy medium between listening to 140,000 people and

listening to some. Therefore, in my mind at that time was the possibility that some individual farmers would want to come before the Committee, not necessarily abroad but in Ottawa. That is what I had in mind at that time, if you want to psychoanalyse me, Dr. Freud.

Second, I would have thought that the leaders of the western farm organizations and others are representative of the western farmers. Many of them are elected. Many of them are elected more often than Members of Parliament. I thought that was a good remark. I would have thought their views would have been representative of the views of farmers in the West. Therefore, my hon. friend drew a conclusion, and I am not complaining, except that the CBC yesterday presented it as if I had made a deal with my friend, the Hon. Member for Hamilton Mountain (Mr. Deans). That is the way it was presented and that was not the way to present it.

The Acting Speaker (Mr. Blaker): Is the House ready for the question or for debate? The Hon. Member for Hamilton Mountain (Mr. Deans).

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I must at the outset say that I am puzzled and a little distressed by the answer which the Minister has given. I want to make it clear that never was there any deal struck between the Minister and myself or myself and anyone else in regard to how the Bill would be handled. However, I will mull that over in the next nine minutes.

I want to make it clear, Mr. Speaker, that when this Bill was introduced in those days immediately prior to May 9, we already had an inkling of what was to be contained in the Bill. We were aware that the Government was intent on changing the Crowsnest Pass freight rates. We believed then that the change being proposed was a change which would work to the detriment of those who would have to pay the bills, and not only to the detriment of the farming community but to the detriment of the country as a whole. On May 10 we made that opposition known by voting against the Bill at first reading.

We still hold true to that position, that what the Government is proposing to do by way of change to the Crow rate will do nothing but harm to the farming community of western Canada, particularly on the Prairies. It will do nothing but harm to the economy of Canada with regard to our potential for exporting the grain which we grow here. We used this as the economic base for a very large part of our country. It has in fact made this country famous all around the world. I do not have to tell you, Mr. Speaker, that the competitive position of the grain farmers of western Canada will be detrimentally affected by the proposals the Minister has brought forward. There is no one in the world who can possibly believe that if you add to the price of a commodity in the world market it will somehow enhance your competitive position.

• (1700)

Our major competitors are heavily subsidized. In some instances they are granted absolutely free movement of grain from the farm to the point of distribution. Our American competitors are given a substantial subsidy through the use of the waterways to get their grain to market. Our Australian competitors are much closer to the shipping ports and do not have to carry the extremely high cost of transportation. Given all that, no right minded individual could believe that to alter the Crowsnest Pass freight rate and place an additional burden on Canadian farmers would in any way improve their capacity to sell their product to those who must buy it.

Mr. Pepin: There are compensatory factors.

Mr. Deans: Having said that, if the Government is now telling us, as it is, that it will begin a process of compensation which will ultimately become larger than the subsidy we now carry, then I suggest that is foolish. To add an administrative cost on top of all the other changes in order to bring the farmer back to where he was before, competitively speaking, surely must not make any sense to any objective observer.

Again, Mr. Speaker, what the Government is doing is wrong. The Crowsnest Pass freight rate is a subsidy, paid for in great part by the public of Canada. When properly used, it gives our grain farmers a competitive edge in world markets. For us to turn around and start tinkering with it over any number of years can only work a hardship. Therefore, the Government has taken a very regressive and regrettable step.

The Conservative Members are aware right from the very beginning that we said the Bill was complex. There were three parts to it and it should be proceeded with separately. The upgrading of the railroads should be viewed separately since it deals not only with the transportation of grain but with the transportation of all commodities from coast to coast. We also made it clear that we thought that the disposition of the Dominion coal lands was a separate matter without any relationship to the Crowsnest Pass freight rate and should be dealt with in a separate way. Finally, we suggested that if the Government was to go ahead with its proposed changes, then they should be dealt with for what they really are, an attempt by the Government to alter dramatically the arrangement entered into so many years ago from which the CPR and others have derived significant benefits.

Over the years Canada has been extremely competitive in its ability to move and sell its grain. We should view that matter separately. I appreciate very much the fact that the Conservatives supported our position on that, but unfortunately we failed in that to this point. The battle is not yet over, it is just over for now. We still believe those principles should be divided, we still believe the matter should be dealt with in that way.

The Minister seems to feel that somehow or other the farmers of Canada are not going to be as detrimentally affected as we believe they are and as I think some on the Conservative benches believe they are. I have had letters from farmers from all across the Prairies who are bringing to my attention and the attention of others the dilemma which will confront them. I will read one sent from Birch Hills to one of my colleagues. It said:

We have gone back into our income tax files and have some figures for you—

In 1973, from a gross income of $63,500, their net income was $25,400. By 1978 they had a gross income of $107,400 and a net income of $22,500. Note the decrease. By 1982 they had a gross income of $130,000, and a net income of $16,000. It is the additional costs heaped on the farming community, whether it be for fuel, fertilizer or replacement of machinery, whether it be through taxes, which has eaten away all of the surplus which should have been there to provide for that family's welfare. The letter then goes on to say:

We took our production of 1982 and if Pepin gets his way and we pay 75 cents per bushel freight by 1990, we would have to pay $30,000 in freight as we produced approximately 40,000 bushels of grain in 1982.

We have never had a $30,000 net profit in any year since we started farming some 27 years ago.

Mr. Pepin: Wrong, wrong, wrong, again!

Mr. Deans: No one can say it more eloquently than that. The fact of the matter is, Mr. Minister, that the farmers affected by this increase in costs cannot afford it. I do not know how better to say it. If someone cannot afford what you are attempting to foist upon them, they will go out of business, Sir. When they go out of business they will not be replaced by anyone else and we will have lost for all time that agricultural capacity, that revenue, which we have derived over the years from the sale of their products. We will never be able to recover it.

Mr. Pepin: You are taking one—

Mr. Deans: I am taking that farmer as representative of many farmers. If you give me the time, I will read the rest. I am putting on the record one letter taken from a number of letters, which is representative of what we understand to be the situation of the farmers in western Canada.

I will close by saying that it is obvious that ten minutes does not allow me an opportunity to put on the record how strongly we feel about what is being proposed. I am disturbed by the Minister's suggestion that the hearing process may be forestalled or foreshortened. I am concerned that the Government may attempt to push this through over the objections of farmers like this one. He and his family deserve to be heard but they cannot be heard if the hearings are in Ottawa. Obviously they cannot afford to make the trip.

Therefore, I urge that the Government pay particular heed to the people who will be most affected. It is not their representatives we want to hear at this point; we have heard from them. We know the decisions of the institutional representatives. Who we have to hear from now are the people who pay the bills.

We oppose what this Government is doing and, by God, we will oppose it to the bitter end. We will oppose it in December of this year, we will oppose it into next year if this Government does not pay attention to these people.

Mr. Chuck Cook (North Vancouver-Burnaby): Mr. Speaker, we are here to debate the issue of whether or not the question should be put. The answer is very simple, of course. It is that I am not "prepared up with that to put", because I like to go back to the first principle. Oftentimes, if one goes back to the first principles, one finds different answers from what one would otherwise. We all recognize that what is required, needed and must happen is a total upgrading of the railway system of western Canada, including that of British Columbia. I have been lobbied heavily by many interests in British Columbia saying, "Vote for the Bill because we must have the railways upgraded". I would agree that the railways must be upgraded. However, they do not seem to understand that to do it this way is raping western Canadian farmers. It is not in the best interests of British Columbia that the Prairies be raped in this particular manner.

I am a Prairie boy and they say that one can take the boy out of the Prairie but not the Prairie out of the boy.

• (1710)

I think of western Canada, Gladstone and Morris, Virden, Eyebrow, Elbow, Belle Plaine, Carstairs and Olds, right across the Prairies, those little beacons of light bringing civilization at night, right across the vast plains, and of the many people in them. I understand how they feel about this kind of thing taking place because I can tell Hon. Members how many of the people in that part of the world are thinking about this right now. They have known the CPR for a long time. They found that CPR, rather than being a good neighbour, has been a exploiter over the years. What may not be known in the House is that starting back in the 1950s, the CPR reached a corporate decision which it has been carrying out ever since.

Anyone on the Prairies looking about with the native suspicion we all have, has realized what happened. First, the CPR owned houses in practically every division for its executives. It sold them off and the money was drained out of the railway. There was a formation of Canadian Pacific oil and gas. Guess what? There was the draining off into a separate company of all the mineral wealth that it had been given. There is nothing wrong with either one of those two things, if its basic contract with the prairie settler were to be kept. Unfortunately, it has not.

One could consider Marathon Realty and the vast real estate holdings in many cities of the West which, again, were bled off by the railway. One can consider what the railways have done in terms of deterioration of passenger service. Who would want to ride their ruddy trains by the time they were done actually allowing them to go totally downhill? As a result, they got rid of that, and the Government took it over and formed VIA Rail. The only thing worse than VIA Rail, I have found in North America, happens to be Amtrak, and the American railways did the same.

Over a 20 years period, why has the Government not taken a look at the original contracts and perhaps even social contracts with the people of western Canada? Why has it not been able to realize that the CPR was almost deliberately allowing those rail lines to become obsolete, allowing the whole matter to settle down? It had taken the profits, moved them over to Canadian Pacific Investments. It had taken the profits and

moved them here. It had taken most of the profitable aspects of the railway and moved so that, quite frankly, I doubt if the CPR would care at all if the Government wished to nationalize the rail line. It received its money and it moved it, rather than living up to its responsibilities to western Canada.

What have a succession of federal Governments done about this situation? I have not heard much talk over the years, saying, "Hey, wait a minute now. Is the CPR really entitled not to build more grain cars, because we are short of grain cars, in view of its initial contracts and its initial gifts from the people of Canada?" We do not see Government of Canada grain cars. We see Province of Alberta grain cars, grain hoppers. These should all be made by the CPR, paid for by the CPR and operated by the CPR. If it is at a loss, let us consider where the profits went. They went into other areas of the company having nothing to do with the railway.

The prairie farmer is entitled to have a committee take a very solid look at the actions of this giant of a company, this colossus of profits which has really moved away from the rail lines, and I hope such a committee does study it.

One of the other reasons your prairie lad is suspicious of the railway and of a succession of Liberal Governments, practically since Confederation, is that at one time one could send a widget from Toronto to the West for a dollar. However, if one wanted to send a widget from the West eastward, it cost $2. I will give only one example. Show me a flour mill existing in western Canada today. The reason one does not exist there is because of the freight rate structure of this country which gives real favouritism to the East.

What is taking place now is another rip-off of western Canada. The whole matter disturbs me mightily. Darn it, how long does the Government think the people of the West will put up with central Canada ripping them off in every way? That is exactly what changing the Crow rate will do to us again.

All I can say to the Government is, for heaven's sake, let us take another look at the whole matter. Let us go back to the basic problem of upgrading western rail lines. If we are to pay for it, let us ensure that all the people of Canada pay for it in a proper way, where the Quebecer contributes as much as anyone else, where the Maritimer takes part in it, where Ontario pays its share, rather than doing it in such a way as to lay most of the cost on the back of the prairie farmer.

I warn the Government, the Liberal majority, that if it goes through with this dastardly scheme, it will lay the seeds of discontent in the West all over again. Generations of prairie people will never forget the dastardly deed the Government will carry out with the Bill on top of their backs and at their expense. For heaven's sake, the Government must reconsider. This is no way to run a railway.

Mr. Gordon Gilchrist (Scarborough East): Mr. Speaker—

Some Hon. Members: Hear, hear!

Mr. Gilchrist: I do not think it was the western Members who were applauding me.

I rise to enter the debate on Bill C-155, but before making the comments I had intended to make, I would draw the attention of the Chair to the emotions of the last Hon. Member to speak who was trying to represent the concerns and frustrations of western Canadians, which is his job to do in a Party which, of course, represents all of Canada, every territory and every Province. One can see why there are differences of opinion in this Party from time to time, occasioned by the differences which occur in the country as a whole. It was with great sympathy that I listened to my colleague from British Columbia trying to represent these frustrations. I come from Ontario and I wish other eastern or central Canadians could try truly to understand the message being brought to us by our western colleagues.

I consider this matter from the point of view of any business person. When business, which is a large business, runs into the kind of problems being faced by the country today, which can only be described as a massive material handling problem, it considers the various kinds of solutions it might give. It could, of course, raise prices to solve the economic problems of grain handling, or it could squeeze suppliers to farmers. It could say, "Lower the price of your grain and you will be more competitive on the world markets and all the other costs will have to be borne", or it could reduce costs, which any sensible business would try to do. What it would not do would be to attempt to reduce its markets deliberately by letting its product price go up too high to be competitive.

• (1720)

What have we done to attempt to reduce the costs of grain handling in this country rather than just throw the load on to the farmers? Have we really done some serious technological studies on the size of rolling stock, the shape of hopper cars or the kind of handling practices at either end, the filling or emptying of those cars? Have we seriously done a cost study on the electrification of rail lines? Have we performed a serious cost study on the conversion of engines to compressed natural gas, which is in abundance in this country and which would certainly lower the costs of grain handling? Have we considered the efficiencies of the trunk lines and branch lines of the railroads in an effort to make them more cost effective?

In the last election, the Prime Minister (Mr. Trudeau) promised that he would doubletrack the railroads. Although he was whistling in the wind, he had the right idea in terms of cost efficiency. To do so, would undoubtedly lower the cost of transportation of grain.

I believe the railways have an obligation to look at these alternatives, such as to improve their signals and do all those things that would make them more cost effective. Another alternative is super mechanization of port facilities to improve the turnaround factor to get the cars to handle grain more quickly.

The Hon. Member for Edmonton East (Mr. Yurko) talked a few moments ago about pipeline transportation for grain. That may sound fanciful but it is not. It is quite feasible and should be seriously considered before raising the prices to farmers.

There are many things that need to be done to reduce the costs long before we raise the prices. Of course, we should not forget the job creation prospects in all of these technological developments. That would be a real boon to the country today. However, it has become a national psychosis in Canada, a mind-set of business, Government and labour that whenever you have a problem, you should raise the prices and the consumer will pick up the bill.

What incentive will the railroads have to improve their efficiency or service if we simply give them more money and just open the door to price increases forever? How will increased costs of grain caused by both the transportation cost increases and the operating inefficiencies that will result, help Canada's export grain sales and balance of payments? Obviously, the answer is that it will not.

This House is considering the possibility of establishing a standing committee on science and technology. Such a committee could very well look into these problems of grain handling and perform a detailed examination of the possible technological improvements and cost cutting potentials of advanced rail technology. That is something the Government should have done long before bringing in a Bill such as this.

In specifically addressing the question of whether we should immediately put the question to the House which would cut off all further debate and examination, I wish to say that I do not think an offhanded treatment of a century-old institution which will perpetuate the inefficiencies while increasing the cost is a proper step. I think it is well worth debating. Government Members should be clamouring for greater debate and more solutions and consensus rather than remaining quiet so that the debate will not interfere with the forthcoming summer holidays. Discussion, consensus and agreement is what is required of Parliament, not division and acrimony. Putting the question and muzzling debate is not the way to get to the satisfactory conclusion of this issue.

In the absence of any commitment by the Minister or the Government to let the farmers be heard by a travelling task force which would let them make their concerns known and give their suggestions for solutions would occasion any concerned Member of this House to vote no to the question.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, we have had a widespread debate on this Bill with many comments and recommendations for improvement.

I would like to pay tribute to the Minister of Transport (Mr. Pepin) for spending almost the entire time of the debate in the House.

Some Hon. Members: Hear, hear!

Mr. Neil: It is not often that a Minister does so, and he should be commended.

Having said that, I must say that I am very disappointed that the Minister was not prepared to stand in the House to speak at some length about what has been said by Members on this side of the House so he could give us an idea of what he will be doing when the Bill goes to committee. I was also very disappointed by the fact that the Minister of Agriculture (Mr. Whelan) came into the debate solely for the purpose of giving notice of closure on this Bill. The Minister of Agriculture should be dedicated to the welfare and well-being of the agricultural community. This is a Bill which affects every aspect of agriculture and, in fact, affects every region of the country from coast to coast. Having spent some $850,000 on advertising the policy of the Government, I suppose that Government Members do not feel they have to get into this debate and make their contribution.

The Minister of Transport has the opportunity at this time to rebuild our transportation system and make it one of the most modern and best transportation systems in the world. He has not chosen to do that. Instead, he has chosen to bring in a Bill which is unsatisfactory to the majority of people in this country. This Bill should be withdrawn.

Some Hon. Members: Hear, hear!

Mr. Neil: It should be withdrawn and a special committee should be set up to study Canada's transportation system at length and to consider the effects of any change in the Crow rate on the western Prairies and on agricultural producers.

There is much concern over this Bill. I have received letters from hundreds of my constituents, not only from farmers but also from those who live in the cities and towns the economy of which is dependent upon agriculture. The farmers are concerned because their product price is down and their input costs are up. At this time they cannot afford any increase in costs. The Hon. Member who spoke a few moments ago indicated that five times the Crow would result in a cost per acre of $25. That assumes that every acre is seeded. If you work on a two-year rotation, the cost of freighting grain would average at about $50 an acre. When this cost is added to the costs of fuel, taxes and other charges, it becomes almost prohibitive.

I receive letters from chambers of commerce and city and town councils expressing concern about what will happen as a result of the increase in freight rates taking money away from their communities. It amounts to hundreds of millions of dollars in losses to the communities. When we talk with farmers, city people or members of corporations, they express concern about the railways. There is a mistrust of the railways, both CN and CP. They know that over the yars the railways have received branch-line subsidies, hopper cars and grants. They ask whether the railways have spent that money wisely. When we talk to farmers in areas where branch-line subsidies were paid to the railways and discover that there has not been a train over the lines for eight or ten years, we understand the concern and the mistrust. Also they ask about the $651 million, the guaranteed annual income which the Hon. Member for Regina West (Mr. Benjamin) is interested in giving the railways. They ask how accurate that figure of $651 million is. We do not know.

• (1730)

That is one of the things which should be discussed in committee. The railways should be called before the committee and required to give an accounting. We should have expert people to look over their records and books and to tell us whether or not the $651 million figure is accurate; it could be $200 million or even $700 million. This is what we must know and why distrust exists in the minds of people across the country. As well the committee should investigate the freedom of choice proposition put forward by the Hon. Member for Vegreville (Mr. Mazankowski) and the offline elevator concept.

Mr. Pinard: What do you mean by freedom of choice?

Mr. Neil: We should investigate unit trains.

Some Hon. Members: Oh, oh!

Mr. Neil: My friends on the other side are becoming excited. I do not know why. I am only trying to suggest what should be done in committee. Hon. Members opposite sat in their seats during the entire debate. Their only contribution has been to shout from their places when a Member was speaking. It is unbelievable that only nine speakers on the Liberal side of the House participated in the debate, including the Minister who introduced the Bill, the Minister of Agriculture who moved notice of a motion of closure and the Hon. Member for Rosemont (Mr. Lachance) who brought in the previous question motion.

An Hon. Member: Call it closure, call it what it is.

Mr. Neil: Closure, that is all they are concerned about. All the things I have mentioned must be considered if we are to build a better railway system, a system which will carry our grain efficiently at the least cost.

The railway system does not only carry grain. It carries potash, coal and numerous other products. Every segment of the community should be interested in those hearings. There should be input from farmers, farm organizations, railways and elevator companies. There should be co-operation. The committee should be comprised of Members of all political Parties who are not concerned about politics but about how to make a better railroad system. This is what has to be done, and I am disappointed that the Hon. Minister is not prepared to do it.

I see my time has come to an end. As I said, I am disappointed that the Minister of Transport was not prepared to rise in the House and comment on some of our recommendations. I think it is a shame.

Some Hon. Members: Hear, hear!

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

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Corbin): Call in the Members.

The House divided on the motion (Mr. Lachance) which was agreed to on the following division:

(*Division No. 363*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
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 (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourde (Lévis)
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
Malépart
Maltais
Massé
McCauley
Nicholson (Miss)
Olivier
Ostiguy
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Yanakis—123.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bradley

Messrs.

Broadbent
Cardiff
Carney (Miss)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell (Mrs.)
Murphy
Murta
Neil
Nickerson
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Robinson (Burnaby)
Roche
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—106.

[*Translation*]

Madam Speaker: I declare the motion carried.

Motion (Mr. Lachance) agreed to.

Mr. Yves Demers (Duvernay): Madam Speaker, I wish to inform the House that I was present when the vote was taken. However, I did not vote because I paired off with a Member of the Progressive Conservative Party, and if I had voted, I would have voted with the Government.

Madam Speaker: The question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

[*English*]

Mr. Pinard: Madam Speaker, I had consultations with the Opposition House Leaders and it seems that there is unanimous consent that the same vote be applied to the second reading motion.

[*Translation*]

Madam Speaker: Is there unanimous consent for applying the previous vote to the main motion?

Some Hon. Members: Agreed.

Madam Speaker: Motion carried.

[*English*]

Mr. Pinard: Madam Speaker, it was agreed that the same vote be recorded, too.

The House divided on the motion (Mr. Pepin) which was agreed to on the following division.

(*Division No. 364*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
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 (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Francis
Frith
Garant
Gauthier
Gimaïel
Gingras
Gourde (Lévis)
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
Malépart
Maltais
Massé
McCauley
Nicholson (Miss)
Olivier
Ostiguy
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Yanakis—123.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bradley
Broadbent
Cardiff
Carney (Miss)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Jelinek
Jewett (Miss)
Keeper
Kempling
Kilgour
King
Knowles
Korchinski
Kushner
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mayer

Messrs.

Mazankowski	Nickerson	Scott (Victoria-Haliburton)
McCain	Nystrom	Shields
McDermid	Oberle	Siddon
McDonald (Ms.) (Broadview-Greenwood)	Ogle	Skelly
McGrath	Orlikow	Stewart
McKenzie	Parker	Taylor
McKinnon	Patterson	Thacker
McKnight	Reid (St. Catharines)	Towers
McLean	Robinson (Burnaby)	Vankoughnet
McMillan	Roche	Waddell
Miller	Sargeant	Wenman
Mitchell (Mrs.)	Schellenberger	Wilson
Murphy	Scott (Hamilton-Wentworth)	Wise
Murta		Young—106.
Neil		

Motion agreed to, Bill read the second time and referred to the Standing Committee on Transport.

Mr. Pinard: I also had consultation and it seems, Madam Speaker, that if you seek unanimous consent you might get it, that the motion having been carried, you adjourn the House until eight o'clock, and that the House sit tonight from eight until ten o'clock.

Madam Speaker: Is there unanimous consent for the proposal made by the Hon. President of the Privy Council (Mr. Pinard)?

Some Hon. Members: Agreed.

SITTING SUSPENDED

At 6.25 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 8 p.m.

GOVERNMENT ORGANIZATION ACT, 1983

MEASURE TO ESTABLISH

The House resumed from Friday, May 27, 1983, consideration of the motion of Mr. Trudeau that Bill C-152, an Act Respecting the Organization of the Government of Canada and matters related or incidental thereto, be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, as we have just heard, we are dealing this evening with Bill C-152, a Bill introduced by the Government dealing basically with two items, one being the reorganization of the Department of Industry, Trade and Commerce, as well as that of the Department of External Affairs and the Department of Regional Economic Expansion. The second item the Bill deals with the is the addition of a number of parliamentary secretaries to the new Department which will be created by the passage of the Bill if, indeed, it is passed, expanding jurisdiction to include Senators as well as Members of the House of Commons.

The new Department of Regional and Industrial Expansion will be developed from the former Department of Industry, Trade and Commerce and the Department of Regional and Economic Expansion. This particular piece of legislation will have a profound impact on various sections of the country, particularly the one for which the original Department of Regional and Economic Expansion was devised back in 1969.

Although I think there is much justification for dealing with the expansion of the bureaucracy to include an additional number of parliamentary secretaries, which no doubt will appease a number of those disgruntled backbenchers on the Opposition benches, nonetheless, I do not believe that time permits me to deal with that particular aspect of the Bill, even though I would much like to do so.

The provisions of the Bill which, as I have mentioned, deals with and would particularly affect the section of the country from which I come, namely, Atlantic Canada, have proceeded as far as departmental changes are concerned, despite the fact that this Parliament has not had the opportunity to deal with or pass any particular phase or aspect of the Bill. The Government has proceeded with changes within the Department; setting up and reorganizing its departmental to accomodate the proposed changes in the Department despite the fact that the elected representatives from the region have not had any opportunity for parliamentary input. Considering the fact that the Bill was only moved for second reading on May 27, it seems the Government is determined to move on with the Bill and the implementation of its provisions despite the fact that Parliament has not had an opportunity for input. This leaves us to be somewhat suspicious, as always, of the motives and the underlying reasons for the Government to move forward with such haste.

I do appreciate this opportunity to take Members of the House and people throughout Canada who might be interested, particularly those in Atlantic Canada, on a brief walk through the history of what DREE was all about and the reason for its implementation back in 1979. DREE was created in 1969 by the present Government. In the words of the Throne Speech at the time, it was established and was to be "charged with objectives of ensuring that all people in all areas and regions of our country have as equal an access as possible to the opportunities of Canada's development".

● (2010)

What did that mean to the people of Atlantic Canada and eastern Canada, since this was originally designed to include all of those regions of Canada east of Trois Rivières? The original intention of the program was to reduce disparities between the regions of Canada that had been subjected to particular economic hardships over the years. It had particular reference to eastern and Atlantic Canada.

I am sure all Members are aware that Atlantic Canada initially played a very important role in the development of our nation. The Maritime Provinces of Prince Edward Island, Nova Scotia and New Brunswick, some of the original partners in Confederation, were the hub of economic activity at that time and, indeed, this was the area where the very concept of Canada was devised. Canada as it exists today can be

attributed to Atlantic Canadians and the Fathers of Confederation.

At that time when Atlantic Canada was the economic hub Canadians in that area envisaged a broader sense of participation in those areas which became part of the Dominion of Canada. Atlantic Canadians encouraged the expansion and development of the rest of the country which now makes up Canada. Atlantic Canadians encourage people to become pioneers in a westward expansion throughout Ontario, Quebec, the Prairie Provinces and further.

There is no question that the roots of those Canadians who now inhabit the rest of Canada originated from eastern and Atlantic Canadians, and they contributed greatly to the development of the other parts of Canada. I suggest that those people deserve a particular tribute from Canadians.

Inevitably, there was a price to be paid for the encouragement of this expansion. Indeed, that price has been paid. Unfortunately it has been to the detriment of Atlantic Canada. As a result of the markets which developed in central Canada and the United States, because of their geographic affinity, we have seen a disparity develop in Atlantic Canada that perhaps was not envisaged by the forefathers of our nation.

There evolved an improvement in the transportation system from coast to coast and a promotion of central Canada as a manufacturing base that has been healthy for the nation as a whole. I do not want the House or Canadians to think that Atlantic Canadians begrudge the development of central or western Canada over the lack of development which we have experienced in Atlantic Canada. It is a historical fact that central Canada in particular has developed an economic base as a result of encouragement from Atlantic Canada. Central Canada has claimed a portion of that wealth which might otherwise have developed in Atlantic Canada, the origination of the economic base of this great nation of which we are all proud.

A system of protective barriers has been established over a number of years to protect trade and the establishment of the central manufacturing base in central Canada. I believe this was addressed in the original establishment of the Department of Regional Economic Expansion in 1969. Interestingly enough, that department was established by the very Government which now holds power.

Development in Atlantic Canada has been stymied because of the development in central Canada. There are a number of factors which have caused the slow development of Atlantic Canada, not the least of which is the distance from the Canadian market which that area must have access to in order to grow along with the rest of Canada. We have high transportation costs in moving goods from our manufacturing base in Atlantic Canada to central Canadian markets and beyond. This has resulted in a lack of capital investment in Atlantic Canada. Consequently, we have seen high unemployment and a lack of industrial growth.

Finally, and perhaps most sadly, this has resulted in a dependence on the federal Government which, while necessary, was not envisaged in the concept Atlantic Canadians held of what Canada would be. Nonetheless, this situation has developed over the years. DREE was established a number of years ago after the Government was made aware of this disparity. The establishment of the Department of Regional Economic Expansion by the Government was indeed a healthy response and one of the few positive actions we have seen the Government take over the years. Unfortunately, it did not last.

As I have stated, DREE was originally established to provide a stimulus to Atlantic and eastern Canada since its mandate included a portion of Quebec, which the present Government has been very quick to recognize over the years. One has only to review the history of the Government to see that Quebec has been the recipient of a great many benefits from the Government. I suggest that can only be expected when one considers that the Province of Quebec has to a great extent encouraged and developed this Government over the years. Nevertheless, it is a national Government which has a responsibility to the entire nation to include those portions of the country that are economically stimulated and those regions which have been economically depreciated. I think it is only fair that as Canadians we expect our government, regardless of which Party it might have as its power base, to include all persons of Canada equally and to look on them with an equally compassionate eye. This Government has fallen down; it has not kept trust with Canadians throughout the country, particularly in terms of being fair and equitable in its proportion of funding.

DREE was a positive step, a positive mesure, a positive department which the Government established, but it did not pursue its purpose; it let it die. In 1970 approximately 2 per cent of federal funding was spent on DREE, which was set up particularly to assist eastern Canada and Atlantic Canada. What have we seen last year and this year? To what degree have we seen DREE deteriorate? This year, its last year of existence, DREE provides only 0.8 per cent of its total spending to help that portion of Canada which it was originally intended to assist. It has long forgotten those portions of Canada which were instrumental in establishing it and in making great this nation of which we are so proud as Canadians.

● (2020)

It is a shame that the Government does not recognize the situation which continues to exist in Atlantic Canada. It fails to recognize that in 1970, only one year after the department was set up, unemployment in Atlantic Canada amounted to 41,000 people. In 1982 the statistics show that unemployment in that area had risen to 135,000, an increase of 229 per cent, in a land where the national average was 168 per cent. The Government tends to prefer to forget about Atlantic Canada. Its unemployment rate in 1970 was 6.2 per cent. In 1982 the unemployment rate had risen to 14.4 per cent. The growth in the unemployment rate in Canada rose by only 5.3 per cent from 1970 to 1982, whereas the average growth in Atlantic Canada was 8.2 per cent.

In 1970 after DREE was set up the per capita income of Atlantic Canada was $2,240. In 1982 when the Government decided unilaterally, without consultation with any of its Atlantic Canada partners in Confederation, to destroy the Department of Regional Economic Expansion, the per capita personal income was $9,241. The average throughout the rest of Canada, which the new department will most likely assist, for the Government's own political satisfaction, is now $12,764. Where is the equity? Where is the fairness? Where is the democracy?

An Hon. Member: Not here.

Mr. Corbett: Obviously, it does not exist in the mind's eye of this Government. I could refer to various experiences of the Atlantic Provinces under the umbrella, under the jurisdiction or under the dictatorship of this Government. First I refer to the reduction in transfer payments.

Madam Speaker: I am sorry to interrupt the Hon. Member but his allotted time has expired. We will now proceed to the ten-minute question period. Are there any questions Hon. Members would like to ask?

[*Translation*]

Mr. Jean Lapierre (Parliamentary Secretary to Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I appreciate your acknowledging the significance of the discussion we are having this evening and showing a very distinguished interest for the reorganization of the Department of External Affairs.

The External Affairs Act incorporated in this legislation is simply the legal recognition of changes made last year after the Right Hon. Prime Minister decided to reorganize Government departments and agencies having an economic status. That reorganization has led to major changes in the terms of reference, responsibilities and structure of External Affairs, and these will merely be confirmed by the measure now before us. It is interesting to note that this legislation is the first complete legislative document identifying the role of that Department within the Government organization since 1909. The reorganization which was launched last year is the answer to a variety of questions and considerations raised within the Government. The most obvious, and clearly the driving force behind this reform is the need to adequately promote Canada's economic development. Therefore, the potential for greater economic development being closely linked to the status of our international trade which, as you know, now accounts for 30 per cent of our gross national product, has compelled us to explore a better way not only to maintain but to raise our level of penetration of international markets. That major challenge could simply not be met in any conventional way. The complexity of the markets, the interdependence of the parties concerned, the interconnection between political, economic and trade tensions were calling for concertation and imagination.

[*English*]

Another key objective of the changes brought about in External Affairs was the requirement to bring greater coherence to the range of the Government's policies and programs in the international domain and, in particular, to make trade and economic issues an integral part of our over-all foreign policy. This move responds to the trend which has become increasingly evident of late in international relations whereby political, economic and trade issues have become increasingly intertwined. There is thus a consequent requirement to bring together the various levels of expertise in these areas to deal most effectively with them.

In a similar vein there is a pressing need to ensure that linkages between the domestic and international sectors in terms of the Government's policy development and programs are as effective as possible. Just as the international activities of Government must be reflective of domestic constraints and considerations, so must our domestically focused initiatives be formulated and implemented with a view to their potential international implications.

This requirement is particularly applicable in the case of our own country which is so inextricably tied into the international system, especially in economic terms.

• (2030)

Finally, the changes envisioned reflect the desire to more effectively use and manage resources deployed in support of the Government's international activities. Canada, as is the case with most industrialized countries, has a significant investment in both financial and human terms deployed overseas in our embassies and other offices designed to further the Government's interests and manage the Government's programs. It is incumbent upon us to see to it that this investment is managed in a co-ordinated manner in the interests of economy, efficiency and effectiveness.

The External Affairs Act now being considered by this House responds in a number of ways to the Government's concerns, as I have already outlined, in respect of its international activities. A brief review of the major aspects of the Act will, I am sure, provide a useful indication as to how these concerns are met.

[*Translation*]

First, under the proposed legislation, the Department of External Affairs will henceforth have three ministers, the Secretary of State for External Affairs, the Minister for International Trade and the Minister for External Relations. I stress that this is the first time that a particular piece of legislation formally establishes the office of Minister for International Trade, which proves that economic development and particularly the active promotion of our exports are high priorities of this Government. The very existence of the office of Minister for International Trade will ensure that trade and exports will receive the attention they deserve within the administration, and especially around the Cabinet table. It is generally recognized that given the extraordinary opening of

Canada onto the world, these three ministers will be able to share the task of looking after our domestic and international interests and ensuring representation of the highest order in the multitude of forums where our country is active.

[*English*]

Second, External Affairs is being given a new mandate in this Act which covers the spectrum of our major international activities. Thus External Affairs will have responsibility for all international trade, economic and political matters as well as our major overseas programs including consular assistance, immigration, development assistance, public and cultural affairs. Of particular importance in this regard is the responsibility External Affairs will have for international trade and economic policy and programs. The assignment of responsibility for international trade to External Affairs is indicative of the Government's concern that trade and economic concerns be better integrated into our over-all foreign policy and, no less, that trade promotion receive a higher profile and priority in our international relations. As well, the general increase in the importance of economic and trade issues in the international environment—including the growing politicization of trade, East-West trade, sanctions, protectionism and the very serious international financial liquidity issues—are such as to require that these issues be dealt with in a broader context which can bring to bear general economic and political considerations in the management of our trade development efforts.

The new mandate for External Affairs will also serve to provide the coherence needed across the range of our international programs and activities in that all of the various strands of our activity—whether political, economic or trade—will be the responsibility of one institution. This centralization of these responsibilities will also provide us with the basis to better manage and co-ordinate the resources the Government deploys in support of its international policies and programs. It will also help to assure that we attain the required balance in our treatment of domestic and international policy issues so that decisions in one area can be taken with a full awareness of the potential implications such decisions may have in other areas.

One further point of interest concerning this Act is that for the first time the authority of our heads of overseas missions is set out in legislation. This, together with the consolidation in External Affairs of the Foreign Service, will provide for a better integration of our overseas operations—whether political, trade, economic, immigration, development assistance or other programs—with consequent advantages for our administration and management of all of our efforts and resources in the international domain.

Before concluding my remarks, I should comment upon the effects which this Act will have for the business community, especially exporters, in Canada. In particular, I would like to deal with those changes which are of special concern to the private sector and, secondly and perhaps somewhat surprisingly, I would like to review a number of aspects of our trade and economic operations with which Members were familiar prior to the reorganization and which remain largely unchanged in the post-reorganization environment.

Hon. Members will recall that, in large part, the reorganization of the Government was driven by economic development considerations. Foremost amongst these in the case of External Affairs was the desire to see economic and trade considerations being given greater prominence in our foreign policy. More generally, it was also thought that the tranfer of the international trade responsibilities to External Affairs would serve to respond to the growing convergence of political, economic and trade issues in international relations.

The importance of international trade to Canada is well known: our economic well-being is heavily reliant upon our success in developing export markets. Our export capability is dependent not only on factors such as quality of product and financing considerations, but as well on the maintenance of an effective international trading environment. Today we face serious difficulties internationally in terms of potential constraints to facilitating our export growth. Rising protectionist sentiment and policies, the intermingling of political as well as economic considerations in determining commercial transactions, the growing participation of state trading institutions and a variety of other developments have all worked to complicate the international trade and economic environment. Purely export promotion activities are no longer sufficient in and of themselves to ensure that our export potential will be achieved.

The transfer of the trade responsibility to External Affairs has certainly entailed the introduction of some significant changes to our Department and have had a beneficial effect, I believe, on the Government's capacity to deal with international trade and economic policy and issues.

At the ministerial level, the Minister of State for International Trade (Mr. Regan) will focus his attention on our trade development policies and programs. At the same time, however, the Secretary of State for External Affairs (Mr. MacEachen) will also be actively involved in the development of our over-all international economic and trade efforts. During last year's GATT Ministerial, for example, you may recall that while the Secretary of State for External Affairs chaired the meeting, the Minister of State for International Trade led the Canadian delegation to the meeting. Below the ministerial level the Department's trade and economic specialist are similarly active in the interdepartmental network of policy advisory committees and groups.

[*Translation*]

All in all, I think one can rightly say that these questions and these policies will receive as much if not more attention within the Department of External Affairs than before the reorganization. Indeed, I would say there are additional benefits to this reform, and I will mention a few.

The consolidation of the foreign service through the transfer of trade officers, in fact through the integration of former employees of Industry, Trade and Commerce into the personnel of External Affairs, had the net result of sensitizing everybody within the Department to trade matters and their

peculiarities. I believe there has been a significant improvement in the consistency with which political, economic and trade matters are all taken into account within a global examination of issues, which is beneficial.

Moreover, our trade promotion efforts are aimed at all sectors of the economy, from primary industry to agriculture, from CANDU to Telidon.

[*English*]

I think this might be a useful point at which to set out the aspects of our trade operations which have not changed.

While the Trade Commissioner Service has been consolidated within the Foreign Service, its expertise and experience will be retained. Officers will continue to specialize in trade development work in the Foreign Service whether through assignments abroad or in Canada. Cross-Canada tours by trade officers, before and during overseas assignments will continue as before. As well the practices of maintaining an active secondments program with other parts of the government and, of course, with the private sector remain unchanged.

• (2040)

The programs supporting our export promotion activities with which you may have been familiar in Industry, Trade and Commerce, Madam Speaker, are continuing to function in the same fashion in External Affairs. The program for export market development, our support for fairs and missions, and our support for other promotion projects remain as before reorganization.

Regional trade offices throughout Canada will also be a continuing feature of our trade development activities. These units, staffed by experienced trade personnel, are operating in all of the major regional offices of the new Department of Regional Industrial Expansion. They will continue to provide the same services to the business community as did the regional offices of Industry, Trade and Commerce.

Within the Government, arrangements have been concluded with the Department of Regional Industrial Expansion to ensure the required collaboration between these two departments in a variety of areas so as to retain access to the domestic industrial expertise of that Department. This will include arrangements for an extensive program of secondments between the two Departments in order to ensure that we continue to maintain the required interchange of expertise between our two organizations.

In sum, despite reorganization, a number of key elements of our trade development activities remain as they were. That being said, of course, it should also be stated that reorganization was intended to improve our capabilities in trade policy and development. My own view is that it has and that this will become evident by the Department's performance.

In concluding, Madam Speaker, I should note that much has been made of the new mandate and structure for External Affairs in terms of the contribution it is expected to make to our objectives of national economic development. This is rightly so, for indeed it is our intention to give economic and trade considerations a central role in our foreign policy and operations. The benefits which we expect to gain, however, are by no means limited to the economic sector. A renewed commitment to comprehensiveness in the formulation of our policy options and operations, coherence in their introduction and consistency in their pursuit can bring us very important advantages across the full range of our international relations.

Miss Jewett: Madam Speaker, I would like to ask the Parliamentary Secretary why it is that this new organization of the Department of External Affairs is so important that none of the three Ministers appointed under the Act are here tonight. Do none of them care?

[*Translation*]

Mr. Lapierre: Madam Speaker, I suggest this question is somewhat trivial. May I point out to the House that the three ministers are very much involved in this, namely, the minister of State (International Trade) (Mr. Regan) who is making a speech tonight before the Canada Great Britain Board of Trade; the Secretary of State for External Affairs (Mr. MacEachen) who is involved in other activities; and the Minister of State (External Relations) (Mr. Lapointe) who will probably come to the House to hear our remarks, whatever they are worth.

[*English*]

Miss Jewett: Madam Speaker, the House Leader probably put this debate on tonight because none of those Ministers could be here. Am I correct in coming to that conclusion?

[*Translation*]

Mr. Lapierre: On the one hand, Madam Speaker, this is an hypothetical question; on the other hand, I do not see what point the Hon. Member is trying to make.

[*English*]

Mr. Bill Vankoughnet (Hastings-Frontenac-Lennox and Addington): Madam Speaker, I appreciate being afforded the opportunity to participate in this debate on Bill C-152 which deals with Government re-organization.

As I understand the current re-organization of Government departments, several changes will be occurring that have the possibility of impacting in a positive way on the constituency of Hastings-Frontenac-Lennox and Addington in southeastern Ontario. I say this based on my observation of the current Department of Regional Economic Development that will be abolished in this re-organization. It is the desire of myself and the constituents in my riding that the problems that were never fully dealt with by the old DREE Department will now be addressed.

There are two major thrusts to this Bill: first, the re-organization of Industry, Trade and Commerce, External Affairs and Regional Economic Expansion; and second, expansion of the number of Parliamentary Secretaries and extension of eligibility to include Senators.

The Government is re-organized as follows: responsibility for trade is transferred to External Affairs from Industry, Trade and Commerce; a new Department of Regional Industrial Expansion is created out of the existing Departments of Industry, Trade and Commerce and Regional Economic Expansion; the mandate of the Ministry of State for Economic Development is expanded to include regional development; and the MSED thus becomes the Ministry of State for Economic and Regional Development. A new Special Areas Act is established to deal with those DREE responsibilities that are not transferred to the Department of Regional Industrial Expansion.

The potential maximum number of Parliamentary Secretaries will be increased by four and eligibility will be expanded to include Senators. At present, the total number of Parliamentary Secretaries may not exceed the total number of Ministers who receive their salaries under Section 4 of the Salaries Act which, in effect, means Ministers with a department. The formula is expanded to include those who fall under Section 5; that is, Ministers who preside over a Ministry of State.

At present, there are three formal Ministries of State, Economic Development, Social Development and Science and Technology. Not all Ministers of State preside over a Ministry of State. There is, for example, a Minister of State for Trade, but no Ministry of State for Trade.

At the same time this Bill increases by one the number of Ministers who fall under Section 4 of the Salaries Act. Thus, the potential maximum number of Parliamentary Secretaries increases by four. However, should the Government decide to create more Ministries of State, the potential number would increase accordingly as no new legislation is needed to create new Ministries of State.

One of the problems that I hope will be addressed is the problem of relevant statistics for determining whether a particular area or region is eligible for assistance. In the northern area of my riding, employment prospects are not particularly encouraging during the best of economic conditions. Many individual communities are dependent on single employment sources, creating a very untenable situation should that employment source dry up. The region, however, has never been able to benefit from direct funding assistance from the federal Government because statistically these certain areas do not appear when calculated with the urban centres of eastern Ontario such as Belleville, Kingston and Ottawa. Therefore, what I would like to see in the new Department of Regional Industrial Expansion that is being created from the existing Departments of Industry, Trade and Commerce and Regional Economic Expansion is a more realistic assessment of those areas and regions within Canada which qualify for assistance but have been unable to obtain it.

I also believe it is very necessary to consult the various levels of Government involved to develop the most effective and comprehensive program for each region. There have been indications that provincial Governments have not been fully consulted about the changes contemplated, and I hope that consultation occurs before this legislation is finalized.

I am concerned about the new Department of Regional Industrial Expansion and the development of new DRIE programs and funding levels. It is my understanding that funding levels for a region will be based on a development index. I have difficulty with this, particularly as this development index proposes to set levels of funding based on a formula that includes percentages of unemployment and income in each census division. This funding scheme then becomes more complicated with its four levels of support and determination of how regions figure in levels of support by how the area scores on the development index.

This formula reminds me of the formula that was developed for the Electoral Boundaries Commission, the use of which somehow afforded one region which had a decrease in population with a net gain of electoral seats at redistribution. That made a mockery of the credo "representation by population". As I mentioned earlier there are several problems with the development index now being proposed in the departmental reorganization.

• (2050)

In the northern area of my federal riding of Hastings-Frontenac-Lennox and Addington, the labour force regions which will help determine the development index have many overlaps in the region. In my constituency the census districts follow the county boundaries. The southern sections of the Counties of Hastings, Lennox and Addington and Frontenac, are very different from the more northerly townships of each of those counties. The southern townships are more populated, more developed and generally enjoy more employment. The northern townships would find that their higher unemployment rate would be distorted by the south.

In Hastings County, the unemployment figure for the City of Belleville will distort the unemployment figure for the northern townships such as Bangor, Wicklow and McClure, Carlow, Monteagle, Herschel and Bancroft 100 miles away. The same will be true for Frontenac County where the unemployment figure for the City of Kingston will distort the unemployment figure for the northern townships in Frontenac County such as Palmerston North and South Canonto, Clarendon and Miller and Barrie Townships. The situation will repeat itself in Lennox and Addington County also.

The proposed alternative of trying to estimate unemployment rates for census districts individually will lead to a further accuracy problem. This has been pointed out to me in the size of the survey of the labour force, in that the smaller the survey, the higher the degree of inaccuracy. Even when the amount of unemployment is determined, it only tells part of the story. There are many people in areas who have given up looking for work because they know there is none available. The Government's proposal does not consider these individuals.

Finally, I would like to mention the second measure of the development index, that of income. The proposal is to use as our income measure that of personal income in a census district based on taxation data. In this accounting, there is the

problem of time. Tax data that will become available will be several years old by the time it is published. In July of 1982 a major employer in the northern area of Hastings County shut down. By using the federal Government's proposed method of accounting, this major shift in the income pattern in the local economy will not be available until 1985 at the earliest, clearly years out of date.

The development index formula has many problems, however the one that is most serious is the fact that the formula will not be put into law. The possibility of year to year political tampering by the Minister in charge renders all the departmental re-organization of regional industrial expansion virtually ineffective. That does not suggest the re-organization will have any effectiveness.

Unfortunately, the major thrust in past instances of Canadian regional policy has been to support Government intervention, and the interference of the operation of natural market forces in a particular region, when and where it was politically advantageous to do so and not in consideration of those regions where need had been demonstrated. This fact becomes more painfully evident when one examines where DREE moneys have been allocated since the inception of the Department in 1969. The Province of Quebec has received $1.5 billion, $900 million more than the next most highly funded DREE Province. In the 1980-81 fiscal year Quebec received $168 million compared to $34 million in Ontario, which has a higher population, $17 million in Alberta and $38 million in British Columbia to name a few other Provinces.

We were never opposed to the goals and objectives of regional development, only to the partisan political tampering which has distorted the role of the old DREE and which, if the proper parliamentary control is not maintained, will hamper the effectiveness of the new DRIE re-organization.

Early in committee I was able to ask a number of questions to officials about DRIE. While much was said of the major commitment to the Ontario region by DRIE, no information was forthcoming about the number of projects or the specific areas in which projects were being developed. I am concerned about the lack of information available to MPs about the operation of DRIE.

In many of the areas of the less developed regions of Canada, historical as well as economic factors are responsible for poor economic growth. In the same vein, in the relatively prosperous Province of Ontario there are areas of economic distress. The federal Government should be focusing its efforts less on regional disparities and more on the areas within each Province throughout Canada that could benefit from some form of economic assistance.

It is also evident that the solutions that must be developed must be individually matched to the distinctive need within each area of all regions.

I hope we will see in this new Department a definite approach that will define the economic potential of a less developed region as opposed to the creation of a make-work project that provides no long-term lasting benefit to that region. While I do not believe this request is impossible I am not so sure this Government has the will to implement it.

Over the past few years, federal policies and programs with regard to regional development have undergone major changes. It would appear that the concern with sharing the economic benefits of Confederation more equally among all the regions of the country is being replaced by an overwhelming preoccupation with the ways and means of stimulating national economic growth. While this may be appropriate, given the current problems of the national economy, it should be clearly understood that the changes in federal policy, particularly as they affect the flow of funds into poorer regions, could have very serious short-run consequences for individuals and provincial Governments and ultimately on the national economy.

Some of the many areas which now seem to be affected by this change in policy are as follows. First, the federal Government is seeking to restrict the transfer of funds to provincial Governments for some programs, such as established program funding and equalization, through changes in the terms of the programs or limiting increases.

The new Industrial and Regional Development Program, IRDP, will form the basis of DRIE assistance. Firms anywhere in Canada can qualify for assistance which varies in degree according to a development index calculated for each of Canada's 260 census divisions. The index will be based on unemployment rate, income, and the fiscal capacity of each Province, although the relative weighting of each of these components has not yet been announced. Based on the value of the index, each census division will qualify for increasing levels of assistance according to its relative disparity on a four-tiered scale.

Was DREE a failure? I do not think so. However, to the best of my knowledge there have been no studies to assess the effectiveness of DREE programs in meeting established objectives. Certainly DREE had its faults as well as its strengths and we would welcome the prospect of a more sophisticated program appropriate to today's economic environment.

The new IRDP represents a shift in direction from previous development initiative and has been a cause of concern for APEC. It may be that some of these misgivings may evaporate as more aspects of the program become known. However, some of my preliminary concerns are that some of the previous industrial development programs, such as EDP, were unsuited to the needs of the smaller manufacturing companies. The creation of a tiered development index alone is unlikely to increase their application.

The new proposals do not appear to recognize the need for a concentrated approach to economic development beyond the boundary of a single census division. As a consequence, some of the new programs could have limited application in the smaller census divisions in Canada with their limited industrial base and weak infrastructure.

Depending on the final form of area indices, the proposed incremental incentives appear inadequate to influence decisions on plant location if that is the policy objective. Policy initiatives of the past have not succeeded in achieving this goal and we now see changes in direction.

Although details for implementation of new policies have not yet been made clear, it is essential to voice these concerns. Further disclosures on the nature of the new economic development instruments will allow a much more specific focus on the issues.

• (2100)

[*Translation*]

Mr. André Maltais (Parliamentary Secretary to Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, I am pleased to be able to take part in the debate this evening on the second reading stage of Bill C-152, where it concerns the Department of Regional Industrial Expansion. I would like to start by emphasizing that the Department of Regional Economic Expansion has existed in its present form for 15 years, and I believe that Canadians from all parts of the country will acknowledge that this Department has done a great deal for the development of certain parts of Canada and especially, I think, in Eastern Canada and in other parts of Ontario which have been able to take advantage of the various programs and mechanisms made available to the various regions.

Madam Speaker, when we look at Bill C-152 which provides for the creation of a Department of Regional Industrial Expansion, we must listen to both the heart and the mind. I think that initially, we do feel sad at the thought that a department like DREE which has been doing excellent work for over 15 years, will now have to change directions and be restructured, and consequently, it is quite legitimate to expect that there will be some resistance to change, which will be normal and acceptable, but still hard to justify if we were to focus only on emotional considerations. I think we must go beyond that to seek formulas that will do a lot more for the future and will help us meet a host of technological and economic challenges. What should be said first of all, Madam Speaker, is that the new Department that has just been created . . . and here we must support and add to efforts that were made in the past, and not denigrate or simply abolish what was set up in 1969. On the contrary! I think it is normal for a Government to want to review such programs from time to time. I am convinced that after 15 years it was time this program was updated and revamped.

Madam Speaker, what exactly does this revamping of the former DREE and the former Department of Industry, Trade and Commerce, propose to do? The aim is basically to be much closer to the regions than these departments were before, without necessarily being restricted to providing service or support through participation in studies of various industries and various factories, since it intends to be more concrete and more effective as far as marketing, modernization and research are concerned. I think that is very important, because these are areas that have perhaps not been neglected but not given as much attention as they should have received under the Department of Regional Economic Expansion. By restructuring the Department with Industry, Trade and Commerce and the former DREE department, what we are actually aiming at is to put two tools in the same box to ensure that all our human resources that want to help this country's economic development can do so as a team. That, Madam Speaker, is the purpose of the amalgamation of the former Department of Regional Economic Expansion with that of Industry, Trade and Commerce. It is a fact that at an early stage, we were wondering whether the proposed tool was potentially the best. It is also a fact that with changes such as this, people wonder just how the new set up will be an improvement over the previous one. Of course, as was indicated by the previous speaker, we do wonder whether or not we are taking a big chance. I think that we probably are just taking a chance as with any other change, but one which will bring about new initiatives, while keeping the expertise accumulated over the past 15 years.

I think this is very important. And when he appeared before various committees, the Minister indicated most emphatically that there was not intention of taking away resources at the ministerial level or to lower the profile of the people directly involved in regional economic expansion. I think that on this we should take the Minister's word for it and rely on it, for the Minister's major concern is to ensure that the decision-making process is not merely at the central level, but also at the regional level.

I can say this with considerable pride, Madam Speaker, for the North Shore has benefited to a large extent from the various programs implemented by the Department of Regional Economic Expansion. So has Eastern Canada, and people are quite satisfied with what has already been done. Most of the time, people complained that the decisions concerning industries, corporations, small and medium-size businesses, which were supposed to be responsible and wise, taken following an in-depth study, were made either in the National Capital or in major cities where the regional offices were situated which made it very difficult for small and medium-size businesses to obtain assistance at the local level.

Accordingly the new department effectively anticipates that we will be ever more present in the regions and in larger numbers to comply with the wishes of those directly involved in industry and development. Even if the parties opposite have some reservations, amendments will probably be introduced in Committee of the Whole and already as far as improvements are concerned we could perhaps make sure that we have just one wicket precisely because of the various economic needs identified by the decisions-makers because with DREE there was one major problem. When a product had to be marketed or developed or still when a new economic activity, had to be organized DREE would say: "Listen, we are only limited to

that part of the job, the other part comes under the Department of Industry, Trade and Commerce. On the other hand this Department would answer that from now on people would have to deal with the Department of External Affairs when they needed to investigate markets abroad and there were all sorts of very specialized fields, the co-ordination of which proved to be quite a challenge.

Now that the Department has been reorganized, many of the problems usually encountered in the consideration of issues have been eliminated, and still more, we will be taking advantage of an expanded amount of expertise at the regional level. We will gain considerable time in the evaluation of issues and we will possess a mass of combined knowledge and as a result those who want to use our services will no longer be discouraged. Members from all sides of the House will note that when we have to deal with various departments, we are often shifted from one department to another and regularly told that this branch of a department works on this aspect of an issue while that branch of another department deals with that economic aspect. It proved very hard to obtain any information so that in that respect we will have made substantial progress.

And what does Bill C-152 provide in Part II?

Powers and duties are granted to the Minister. I think that this again is very clear. It is provided that the powers, duties and functions of the Minister generally extend to very specific sectors—manufacturing industries and service industries. Previously I think they were somewhat limited as far as services were concerned. We will be involved with regional industrial expansion. This means that for Members from this side of the House and even from the other side who had reservations with regard to the involvement of the new Department of Regional Industrial Expansion, the concern will remain the same, Madam Speaker. We are going to be very close to the regions, but also we will have more personnel to work directly. So for people who do have doubts in that respect, the Act actually provides for a regional presence. We are going to look after tourism. It is a well-known fact that today tourism in some Provinces is a key activity, and Canada is increasingly anxious to see all our tourist trade potential represented on the world scene. I would simply like to point out that recently one of the tourist treasures of the North Shore, the Mingan Archipelego, was added to Canada's heritage.

• (2110)

Often reference is made to small and medium businesses, and often they directly benefit from the assistance given to large corporations. Mention should be made of the various aircraft and shipbuilding contracts. Small and medium businesses supply larger contractors or shipyards. So these small and medium businesses will benefit, as well as interprovincial trade. Reference has often been made to the Department of Regional Economic Expansion as if that Department's operations were only restricted to the Maritimes or Quebec. But the aim must be an increasingly strengthened internal trade within Canada, and the powers and duties of the Minister are set out as very specific and well-defined functions.

And there is more to be found in that legislation when you look at it more closely. The following is provided in Section 5.1:

(*a*) promote the establishment, growth and efficiency of manufacturing, processing, service and tourist industries in all regions of Canada, contribute to the sound development and productivity of Canadian industries generally and foster the expansion of trade in Canada—

Needless to say, at the last Progressive Conservative Convention this was one of the major points that were emphasized. It raises the whole question of productivity in larger industries as well as in small and medium businesses in Canada.

It is therefore my view that the Opposition parties will have to admit that this has been in preparation for quite some time in order to have a Department that will better meet future challenges, and this in no way conflicts with the principles which they are putting forward. On the contrary, this emphasizes and illustrates the extent to which the productivity of Canadian industries must be increased while certain leading and traditional sectors of our economy are upgraded. The Bill provides, among other things, in paragraph (b), that the Minister shall:

(*b*) assist investors in the location of industries in a manner that is consistent with the needs of the investors and federal regional and industrial development policies—

In the past, major industries were often developed in large urban centres and marginal areas were left with the small businesses. However, at the present time and according to the various scenarios which the Department will introduce in the near future by regulation, all regions will have equal opportunities to attract major processing industries so that they will not always lag behind the large centres and large areas will not be more developed than others. Equal opportunities will be provided to those regions that are now known as underdeveloped. That is the important thing! Central Canada may have developed much more quickly than other regions, but the time has come to try to strike a balance.

These normal and legitimate concerns are shared by both sides of the House, and I believe that they had to be met by such a piece of legislation.

In Subclause (d) of this Bill, we also find that the Minister shall, and I quote:

(*d*) develop and carry out programs related to his powers, duties and functions, of a national and regional character, including programs and projects to

(i) promote and assist product and process development—

I heard that during the leadership campaign of the Progressive Conservative Party, Madam Speaker, and I have often heard NDP members say the same thing, and quite rightly.

As an exporting country, Canada must have well-organized high technology industries.

An Hon. Member: Exactly.

Mr. Maltais: The Department of Industry, Trade and Commerce set up the Canadian Industrial Renewal Board, or CIRB, to try to find means of increasing production and reducing costs to promote exports in so-called soft traditional sectors, such as the textile industry.

In addition, I think it is about time we developed new products in Canada, because all our young people are looking to microprocessors and high technology. The technological revolution may be just another phrase for us, but it is a reality in other countries. It is therefore important for a Department to be able to coordinate such activities. In the past, development meant research centres under the jurisdiction of other Departments than that of Industry, Trade and Commerce, and it was the responsibility of External Affairs to find new markets, but there had never been an economically-oriented Department working in very close co-operation with businessmen and businesswomen and able to point the way to new markets and new opportunities. All these activities will now be regrouped under three Departments: External Affairs, Regional Industrial Expansion and the Department which will be responsible for marketing. That is what we had to do, and under this legislation, I think that we shall have to see to it that there will be a single government agency in the various regions. I think this is an excellent piece of legislation, to the extent that it will bring us closer to the people and that we will not forever have to give other departments the information required to enable the people to act knowledgeably and responsibly. In addition, Madam Speaker, other duties of the Department include, and I quote:

(*e*) provide support services for industrial and trade development, including information, import analysis and traffic services—

Everyone will admit that the last consideration is of major importance to the country, the question of traffic services. Most of the time we do experience difficulties due to the vastness of our country and the lack of modern railway facilities. Besides, let us admit it, the high cost of transportation is often the only thing which prevents our merchants, businessmen and businesswomen from moving throughout the country to sell their goods—prohibitive transportation costs. The question of traffic services is basic in this Bill and we will have to make sure that it is more than pious wishes, that it becomes a reality so that we will be able to transport our own products from the Atlantic to the Pacific and, increasingly, from the Arctic to our southern borders. Afterwards we will have to make sure that with outstanding transporters such as Air Canada and CP Air we will take our goods to Europe. There are markets but we must look beyond North America. Granted, the United States remain our main trading partner, but we must seek new outlets in China and Japan because our country is blessed with natural resources. Japan, with her huge population, must protect every single tree which grows on her islands. Europeans are now looking for lumber producing countries. Canada is a country which can meet those needs, but we must process our lumber right here. Transportation should not however be an obstacle to our trade, but it is now one of of our major difficulties. By combining the Department of External Affairs with the former Department of Regional Economic Expansion and the Department of Industry, Trade and Commerce, I think we have found a major lever to ensure Canada's economic recovery and diversification.

In conclusion, Madam Speaker, I should like to say that we will need more that economic recovery programs. We will be successful if all Canadians, men and women alike, are truly motivated not only politically, but individually and personally. I am convinced that we will have a few false starts at the beginning, because the whole apparatus will have to be put to the test, and that is to be expected. A number of public servants will be frustrated because many of them do have soft jobs. We are here to serve the public, find new formulas and make sure that we do not fall prey to a kind of lethargic sleep. This Bill will shake up some people, but that is our job and it is important that we do it well. Knowing as I do the new Leader of the Opposition, I am almost certain that he will be tempted to repeat word for word what I have just said. The major hazard facing the Leader of the Opposition—I do know him well—is that he is a good Liberal. I have always thought that he was a Liberal who had lost his way, so those who are more conservative that progressive should be on their toes! To conclude my remarks, Madam Speaker, I will say that this legislation is welcome. Like any Hon. Member on both sides of the House, I have a few legitimate reservations. But let us give a chance to the department before destroying it and let us wait and see what the results are. In addition, I am convinced that these provisions will benefit all Canadians. Nothing prevents us from reviewing the new legislation every year, for it is wrong to make changes in our laws only every 15 years. It is about time as well that the Department of Industry, Trade and Commerce stop patronizing, leaving unimportant matters to small regions, and that we strike together, to achieve a really balanced development of our economy.

• (2120)

[*English*]

Madam Speaker: Does the Hon. Member have a question to ask?

Miss Jewett: Yes. I will be rising later to participate in the debate.

The Hon. Member for Manicouagan (Mr. Maltais) has now really made me confused because he is speaking as though the Bill we are discussing tonight combined the old DREE, the Department of Industry, Trade and Commerce, and the Department of External Affairs. Several times he said that there was somehow to be a grand combination of all three. On two occasions he said that the old DREE, the Department of Regional Economic Expansion, was being merged with the Department of Industry, Trade and Commerce. Then when he was speaking of export promotion, he suggested that it would

now presumably come within DRIE, the new Department of Regional Industrial Expansion. My question is, who is right? My understanding was that the Department of Regional Economic Expansion plus the industry part of the Department of Industry, Trade and Commerce was going into one Department and in fact this has already occurred, and that the trade and commerce part of the Department of Industry, Trade and Commerce was, of course, going into the Department of External Affairs. Is that not correct?

[*Translation*]

Mr. Maltais: Madam Speaker, in fact, the former department of Regional Economic Expansion will be merged with the present Department of Industry, Trade and Commerce. However, within the present Department of Industry, Trade and Commerce, there is a whole section which precisely allowed for the marketing of products. So that after the merger, the former department of Regional Economic Expansion, which could not benefit from the expertise in the field of marketing, will then be able to do so since there will have been a merger. That is what I intended to explain during my remarks.

[*English*]

Miss Jewett: Is the Hon. Member saying, because this really changes my understanding of it at least, that marketing, export promotion and so on—and he was speaking of selling our goods abroad and all that—will now be embraced within the new Department of Regional Industrial Expansion?

[*Translation*]

Mr. Maltais: No, Madam Speaker, what I wish to explain in very simple terms, and I believe I was very clear a moment ago, is that if you have a good knowledge of the present structure of the Department of Industry, Trade and Commerce, you will know that this department fulfilled a particular role, namely the marketing of products at the commercial level, while the Department of Regional Economic Expansion did not exercise this function. It only had the mandate to modernize and support small businesses in designated areas. By bringing together both fields of expertise, that is, DREE and Industry, Trade and Commerce, it will be far easier for Atlantic fishermen to find new markets for their products since officers of Industry and Commerce who will be comprised in the new Department of Regional Economic Expansion will be able to help small businessmen to find new markets. Obviously, the Department of External Affairs will be responsible for negotiating new contracts among other things. I think this is quite clear.

I do not understand why there are still some doubts in the Hon. Member's mind. I suggest if you read the bill very carefully, you will find that this is clearly indicated. The Department of External Affairs will obviously develop policies pertaining to foreign affairs and will retain the authority in that field, but in trade matters, all of this will be decided within the former Department of Industry, Trade and Commerce, together with the former department of Regional Economic Expansion. In my mind, this is very clear. Presently, there is a Secretary of State for External Affairs, a minister responsible for External Affairs, a minister of Industry, Trade and Commerce as well as a minister responsible for DREE.

Mr. Keeper: Madam Speaker, I should like to ask the Hon. Member for Manicouagan (Mr. Maltais) a question. In view of the fact that based on every economic forecast, unemployment is expected to rise in every region of the country and that this bill deals with international trade and regional and industrial development, how can the Hon. Member hope to convince the Canadian people that this is a major bill or that the policies of this Government are working?

Mr. Maltais: Madam Speaker, I would like to point out one thing to the Hon. Member. In view of the fact that the rate of inflation has now dropped to 5 per cent and that in the last month there has been a decrease in the rate of unemployment, you have to admit that the situation has somewhat improved. To mention that in other industrialized countries, the number of unemployed is larger than in Canada, is to put the debate in a totally different perspective. Bill C-152 is simply aimed at enhancing previous efforts. If we look at what has already been achieved in this country in the last ten years or so in business and industry, we can see that there are small and medium size businesses in disadvantaged regions of the country. A lot has been done. To prove my point, Madam Speaker, I will only remind the Member of what has been accomplished in the fishing industry in the Maritimes which goes through various cycles as is the case for other industries. In addition, our record compares quite favorably with that of the United States. On the other hand, if the Hon. Member compares our situation with that of some European countries such as France and Great Britain, I'll say to him that his question is irrelevant and has nothing to do with the bill under discussion tonight.

[*English*]

Madam Speaker: I will now recognize the Hon. Member for New Westminster-Coquitlam for debate.

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, now we are all really confused. It was not my intention to spend too much of my 20 minutes on the new Department of Regional Industrial Expansion, except to say that there is nothing that it will do which could not have been done by the Department of Regional Economic Expansion. Indeed, it rather narrows it. The Hon. Member for Manicouagan (Mr. Maltais) suggested that now the new Department would be able to really seek out industry. That was what DREE was supposedly to do, primarily. There were other kinds of economic expansion for DREE, but fundamentally it was an attempt to have industries locating in slow growth or less developed areas. Therefore, it is pretty much of a manicured type of thing.

The main reason the new Department of Regional Industrial Expansion has been created is the wish of the Government to break up the Department of Industry, Trade and Commerce

and to put Industry in with the new Department of Regional Industrial Expansion, and to put Trade and Commerce in with the Department of External Affairs. I am pretty sure that is what the Government is doing, despite the Hon. Member assuring me that that is what it was not doing. I am sure he thought that that is what it was not doing.

None of the relevant Ministers in the new Department of External Affairs are here tonight. One of them peeked in for a moment and left. I guess he really does not care what is happening to this hydra which is being created in the Department of External Affairs. However, I think one of the real worries of the new Minister of Regional Industrial Expansion (Mr. Lumley), who is here tonight, would be that while there may have been an absence of co-ordination in the past between DREE and Industry, the absence of co-ordination in the future between Industry, Trade and Commerce will be enormous and probably far more serious.

Some of the officials to whom we spoke in the Committee on External Affairs did point out the great difficulty they would have in Trade and Commerce, in that section of the new Department of External Affairs, because they would not have as intimate and close a relationship with their domestic industrial base and their clients, their constituents, so to speak, whereas when it was all together in the Department of Industry, Trade and Commerce, people engaged in export promotion, trade and so on, did have a pretty close tie-in with the industrial sectors of the country which they were anxious to see becoming more competitive on the world market.

Therefore, one of the toughest problems the Minister of Regional Industrial Expansion will face is the very tie-in with one's industrial contituency that the old Department of Industry, Trade and Commerce had. I am sure that he will agree that that will be a problem. However, I want to talk primarily about the Department of External Affairs Act because it is an abomination. There are many parts to it which ought to be repealed. Let me name a few of those parts.

• (2130)

This Act, originally Bill C-123, was given first reading almost a year ago on June 30, 1982. The Government has had all that time in which it could have seen the inadequacies and horrendous mistakes made in the section headed Department of External Affairs Act and made changes.

It has made other changes. It withdrew the regional incentives part from the original Bill C-123 which the Minister has now introduced separately. The Government has withdrawn the financial administration part which will be dealt with separately. While the Government has been dealing with this hydra-headed monster, I see that it did not remove the section entitled the Parliamentary Secretary's Act. I will return to that question. Yet it did not make any changes whatsoever to Part I which is the Department of External Affairs Act. As an example of the inadequacies of this Bill, we first have the Secretary of State for External Affairs as we do today. We then have two additional Ministers, the Minister for International Trade and the Minister for External Relations, both of whom carry out their duties under the Secretary of State for External Affairs.

The powers, duties and functions of the Secretary of State for External Affairs are outlined in detail in Clause 11. The powers, duties and functions of the Minister for International Trade are outlined in Clause 12. However, there is absolutely nothing about the duties and powers of the third Minister, the Minister for External Relations. To bring forward a statute creating a new Minister for External Relations and having nothing in the statute about his powers and duties is, to me, absolutely incredible.

I have been trying to understand this Bill since it has been presented as a fait accompli and the Minister for External Relations has already been operating. I have been trying to understand what he is doing. I have read the press releases and have listened to him in the House. If the abysmal speech he made the other day when debating the Cruise missile testing during Opposition day was an example of what he is doing, then I am even more confused about what his role is supposed to be.

I would say that there is no way a statute creating a new Minister which does not indicate what his duties are should go through the House. Therefore, I would suggest that the first action should be to abolish that position. I will return to the issue of international trade, but I believe that we should abolish the position of Minister for External Relations. I hope that will be done in Committee of the Whole. Indeed, this Bill should go to the relevant standing committees because it needs much more attention than can possibly be given in Committee of the Whole.

Let me deal with the undersecretaries. We have always had an undersecretary of state for External Affairs in Canada who is the deputy head of the Department. We will now have three associate undersecretaries, positions which in fact already exist. As I said, this legislation is a fait accompli. We have talked to those undersecretaries in committee. One position is for an associate undersecretary to the Minister of State for International Trade, who is a deputy. The second is to be a deputy to the Minister in charge of foreign policy. Incidentally, he is referred to here as the Minister for Foreign Policy and elsewhere he is called the Minister for External Relations. The Government has not even figured out what the title will be. Since we do not know what the Minister will do, how are we to know what the deputy is supposed to do? Therefore, that section must be abolished when we deal with this Bill in committee.

The reason that I am looking at the Hon. Minister for the new Department of Regional Industrial Expansion is that I know he shares my concerns. He just has not been heard in Cabinet, which I find amazing, because he should be heard.

The Minister and the House will also know that there is a third associate undersecretary of state who is to be "the co-ordinator of international economic relations." He will have the rank and status of a deputy head of the Department. I have not been able to find an explanation here or anywhere else as to what he will do.

Another fascinating problem from the point of view of a student of public administration is that each of these Ministers, the Secretary of State and the other two Ministers have an undersecretary or deputy and an associate. It is not clear whether they respond to their own Minister in the case of the deputies or whether they respond to the undersecretary of state, who then responds to the Secretary of State who, in turn, informs the other Ministers what it is they have been responding about. There is simply no clarification in this area at all. Other Members here who were at the committee will agree that we tried to clarify that in committee. The Government is going to establish committees to help it decide who will respond to whom and why. As I say, any student of public administration looking at this monster would have a field day. If I only had an hour I could go on.

Mr. Prud'homme: Take it.

Miss Jewett: Thank you. I will take that as unanimous consent.

At that stage the Act finishes dealing with Ministers, deputies and so on. It does not go into any detail in this Department. Miss McDougall has pointed out that although consolidation is not a bad idea in some ways—

Mr. Lapointe (Charlevoix): She recommended it.

Miss Jewett: Not quite. You are quite wrong. What she recommended is not what was being done. In fact, I had a long talk with her recently.

Mr. Lapointe (Charlevoix): Read the report.

Miss Jewett: Listen, you are the one who nobody knows what you are doing.

In any event, let me deal with the assistant undersecretaries. There have always been six assistant undersecretaries, which seemed quite sufficient for the Department of External Affairs. They have now been increased to 42 assistant undersecretaries. I will not go on about that subject or the McDougall report at this time because the External Affairs Act does not deal with assistant undersecretaries. I am simply illustrating the fact that this entire measure is in a very sorry state. People's responsibilities are overlapping and they are having great difficulty in determining who is supposed to be doing what.

As I have suggested, we must abolish the position of Minister of External Relations, his deputy and the co-ordinator for international economic relations. No one knows what he is supposed to do.

I would like to proceed to the question of the division of Industry, Trade and Commerce and including Trade and Commerce in External Affairs. I realize that time should be given to determine how it would work out but one of my reservations, and indeed that of the Deputy Minister as expressed in committee, is over breaking the linkage between industry in this country and trade and commerce that this development will involve. I am also concerned because I think it is better to have trade and commerce quite separately represented at Cabinet. People may say that the Minister is separate from the Secretary of State, but that is not entirely so. The Minister should not only have close links with industry in the country but remain quite separate and equal in status. I would sooner have that than have him occupy a position in the Department of External Affairs which would not be as strong if he were an equal, but nevertheless will be strong enough for him to inject into the foreign policies of the country an extremely strong bias on the trade side.

Canada, as we have said a million times, is a trading nation. Therefore we must have a very strong trade side, strong export promotion, and so on, in the Government of Canada. But it would be a grave mistake when we consider the kinds of foreign policy initiatives which Canada has taken in the past and will take in the future—Canada may not be taking many today but it is taking a few; it has suddenly realized that Central America is there, for example—to put great emphasis upon our external appearance and thrust into the promotion of trade and commerce. We may very seriously undermine other policy directions, whether they be in human rights, peacekeeping or whatever the Department of External Affairs ordinarily conducts.

• (2140)

This may percolate through the whole Department. There are absolutely first class trade commissioners in the trade commissioner service; as we all know, a great many of them are first class. They are not primarily, nor should they be, people who have to embrace the totality of Canadian foreign policy. Yet, under the planned administration of the new Department of External Affairs, including Trade and Commerce, as I understand it from talking with many of the officials, they will in fact be one of the interchangeable streams within the Department which will have to take on many other functions than the trade promotion function. Because of their strength as trade people, I am not sure that they are really able to be, with a few exceptions, capable of a broad representation of Canadian foreign policy rather than simply Canadian trade abroad. I am worried that they will not do that.

Ideally, I would like us to drop this part of the Bill for both the reasons I have given. It seems to me that this reorganization will not do anything which the Department of Regional Economic Expansion could not have done. It would remove the link which I think is important between industry, trade and commerce and will give the whole Department of External Affairs, or a large part of it, a very trade and commercially oriented salience. This would be very seriously to the detriment of the salience of the Department which most of us have seen in the past and would like to continue to see. Therefore, this means a very major change. In fact, it pretty well revokes Part I and Part II. I guess we will just revoke them. That leaves us with Part IV, which was Part VI in the original Bill.

It is obvious that Part IV cannot remain. It would be very condescending of me even to address this since I am sure it is

obvious to all Hon. Members of the House. In fact, this is the part which allows four new parliamentary secretaries, for some unearthly reason, to be drawn from the other place as well as from the House of Commons.

Just tonight I was glad to see one little parliamentary secretary here, but not one of the three relevant Ministers. If this Bill had been passed, we would not even have had him. I am sure one of the gentlemen in the Upper House would be dying to be parliamentary secretary, so we would not even have one body here to answer our questions and address the Bill. However, it is not only for that reason that we need to have a parliamentary secretary in the House. Frequently Ministers are not here even on matters as important as this one; it is mind-boggling. There is another very good reason. As much as we admire the Senators in the other place, particularly in their work on committees and so on, they are not elected and do not represent any constituencies in Canada. Therefore, they should not be occupying a position, which should be of some importance, as a parliamentary secretary. There goes Part VI. Now, what do we have left? We abolish Part I and Part II.

Mr. Thacker: They would fall asleep on us.

Miss Jewett: Yes. I guess we could keep Part III, and out goes Part IV. As has been suggested by other Hon. Members, if the Government—and I am being very serious now—really wants to bring Members of the House of Commons and indeed of the Senate into greater prominence in the field of external affairs generally, trade and commerce, foreign policy, defence, and so on, the way to do it would be by strengthening committees. A small beginning has been made, but it seems to me to be very small. It will be extremely difficult for the committees to create their own terms of reference. To strengthen the Chairs of committees, their membership and their powers, would be a good idea, rather than adding more parliamentary secretaries.

Madam Speaker: I am sorry to interrupt the Hon. Member but her allotted time has expired.

Mr. Roche: Madam Speaker, I would like to ask some questions of the Hon. Member who has just spoken. Has she taken note of the clause in the Bill which provides that the Minister shall lay before Parliament on the fifth sitting day after January 31 each year the annual report of the Department of External Affairs?

As a result of the rules under which we are now operating, that report would automatically be referred to the Standing Committee on External Affairs and National Defence. I should like to have the Hon. Member's views as to how that report should be treated with respect to an examination of foreign policy by the Standing Committee with special reference to the calling of witnesses, and how the Hon. Member sees Members of Parliament on that Committee examining the conduct of foreign policy via the annual report?

Miss Jewett: Madam Speaker, it looks in Clause 14 as if the Committee might at least receive the annual report more quickly than the average Member of Parliament now sees it, because it indicates for the previous fiscal year on or before January 31. I have a feeling that much of it will be out of date, in a sense, in terms of some of the events and activities the Committee will want to examine, and that the report will not be helpful in the area of current problems the Standing Committee will want to examine.

Nevertheless, it is certainly an advance. The CIDA report should be there as well, but CIDA was not created by an Act of Parliament. It is an advance over what we have now, I would agree, and the Committee should be able to determine the needs by interviewing witnesses, holding hearings on the report and perhaps even engaging in travel. Particularly as we get more and more concerned about the actual administration of the Department of External Affairs as well as its policy, travel may be necessary as well.

Mr. Roche: Madam Speaker, I have a question which concerns CIDA. Bearing in mind that the Government Organization Act specifically empowers the chief Minister of this triumvirate to have control and supervision of the Canadian International Development Agency, is there not an anomaly that the report of CIDA will not be required to be tabled so that Hon. Members can examine the implementation of CIDA policy in the way which we will presumably be able to examine the conduct of foreign policy via the External Affairs report?

• (2150)

Miss Jewett: Madam Speaker, I agree entirely with the Hon. Member. There should be some way, since CIDA lacks statutory authority and does not come under the new rules, to ensure that CIDA's annual reports, indeed all its major reports, are made available to the committee at its request.

Mr. Thacker: Madam Speaker, I would like to address a question to the Hon. Member, who has obviously spent some time on this and has heard witnesses. My question relates to her comment that much of this was unearthly. I agree. Star Wars was nothing compared to the departmental wars that this statute talks about. That is really what is happening. We all know how everybody is opposed to Finance, because it is so powerful. We know External had a battle with ITC and ITC lost. We recently had a Bill called Canagrex, which really was a battle between Agriculture and ITC. ITC lost again, and Agriculture won. Would the Hon. Member share her comments and view as to how much of this Bill reflects a battle between Departments and the fact that the Ministers are totally irrelevant?

Miss Jewett: Madam Speaker, that would be speculative. I did suggest that the splitting of ITC seemed in a sense to be, or was seen at that time to be, a victory for Trade and Commerce. The Department of Regional Economic Expansion was renamed the Department of Regional Industrial Expansion simply to accommodate that split. As I said before, DREE could have done anything that DRIE can do.

As far as the winners and losers are concerned, I am not sure. On the one hand, the Department of Regional Industrial

Expansion will be at a serious disadvantage not having links with Trade and Commerce. On the other hand, the Department of External Affairs will be seriously disadvantaged by having too dominant a Trade and Commerce within it. Beyond that it is extremely difficult to speculate.

I am very concerned about the whole problem of co-ordinating. One speaker on the Government side mentioned there could be seconding. He mentioned that the new Department of Regional Industrial Expansion could give the same service to the business community that that would be done by seconding between External Affairs, which now includes Trade and Commerce, and the Department of Regional Industrial Expansion. My knowledge and experience in public administration is that that will not work. Therefore, there is a lot to be unravelled.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, I would like to spend a few minutes dealing with the second part of this Bill which creates the Department of Regional Industrial Expansion. It will replace the Department of Regional Economic Expansion. When you look at in terms of names, it does not make a lot of difference. However, in terms of how the delivery system will work, it can make a great deal of difference.

The most redeeming feature is that we have a bit of hindsight because the Bill is being enacted retroactively, after the reorganization has occurred. That is not an entirely unusual situation. It has occurred with almost every new Government that has been elected in this nation. Another redeeming feature is the person who occupies the position of Minister of Regional Industrial Expansion. To date he has shown that he is sensitive to the regions of Canada and to the industrial expansion of those regions. He is the only good reason I can think of for supporting this Bill because I have seen him in action.

I was very much opposed to the idea when it first appeared. However, I have had opportunity to deal with the results of the reorganization. I believe we can have a better delivery system with fewer encumbrances. The Government of Canada will be able to act in a much more expeditious and reasonable manner, without having to take into consideration the political machinations to which the Government of Canada was almost continuously subjected by the Provinces.

In New Brunswick, under DREE we had a number of development agreements covering various parts of the Province. It made the Province look somewhat like a checkerboard or hopscotch board. You could jump from one part of an area to another which had the ability to take advantage of the incentives. Two miles away, and maybe even half a mile away, there were no incentives available.

I want to express the hope that the intention of this Bill is to make it possible for a much better delivery of the economic incentives that the Government is prepared to offer to those companies, firms or individuals that are prepared to take some risk in establishing industries of one type or another, industries that will employ local people and produce goods locally and which will improve the industrial base and the ability to market in those areas of the country that to date have been left behind.

We know that the vast majority of industrial activity in this country is centred in Ontario. I do not believe there is anything wrong with Ontario being industrialized. However, there is a great deal wrong if there are only one or two areas of the country that can be industrialized. I believe that this and any successive Government must have as its prime responsibility redressing the problem of employment opportunities through industrial development in every part of this nation. No part of this nation needs that more than the Gaspé and the Atlantic Provinces.

It is convenient for a lot of people to forget that when Confederation came about, the Atlantic region was the industrialized area of Canada. It is very convenient for Deputy Ministers who spend all or most of their time in Ottawa to forget that. It will be very difficult for this Minister to forget it because I intend to remind him constantly that we were industrialized. I do not claim that the policy of Macdonald was wrong. I cannot remember any experiences from that era. However, the industrial policy, the centralization policies of his Government, destroyed the industries of Atlantic Canada. We must make every possible effort to rebuild that.

The Government of Canada has a very special responsibility to see that every possible incentive is put in place for any individual, industry or corporation wishing to establish. I would go further than that. I would say that the Government of Canada must use a great deal of persuasion to insist that industry in this country in its expansion plans looks at areas of the country other than southwestern Ontario and the Montreal region. It is absolutely imperative that Canadians who live in the rest of Canada should be able to take part in the new industrial growth, the new technological growth, the new scientific growth and the new educational growth in the country. To do otherwise would be an abrogation of the responsibility of the Government, and I hope that that will be taken seriously, Madam Speaker.

Madam Speaker: I am sorry to interrupt the Hon. Member but it is now ten o'clock and, pursuant to an order passed earlier this day, I must adjourn the House until two o'clock tomorrow.

At 10 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, June 23, 1983

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EMPLOYMENT

FOOD SERVICE INDUSTRY—SHORTAGE OF SKILLED WORKERS

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, the restaurant and food service industry has become a large and dynamic sector of the Canadian economy with sales of $15 billion, or 4.5 per cent of Canada's GNP, and 600,000 employees, or 5.7 per cent of the national labour force. In addition, it earned $1 billion in foreign exchange last year from visiting tourists.

In 1982, a recession year, employment in the food service industry actually increased by 2,000 jobs. When one considers the unemployment situation in Canada, surely the service industries are part of the solution, and the largest sector, the food service industry, deserves encouragement for job creation and business growth.

At present the industry lacks the schools and standards necessary to educate the skilled technicians who make this industry grow. Our colleges graduate good cooks but not world-class chefs.

This shortage of skilled trades is becoming a major bottleneck in the expansion of this industry, and it is an area where the Government can help by upgrading training facilities and by designating some of the food service trades as national occupations under the National Training Act.

In addition, consideration must also be given to revising the tax system to stimulate these labour intensive industries.

* * *

EMPLOYMENT

POTENTIAL JOB CREATION OF ERIE CONSTITUENCY PROJECTS

Mr. Girve Fretz (Erie): Madam Speaker, there is no shortage of work to be done in Canada. As well, there is no shortage of willing labour. All that is required is the funding and organization. I believe these are some of the reasons we have a Department of Employment and Immigration. I would like to suggest to the Minister of Employment and Immigration (Mr. Axworthy) that plans exist for many long term projects involving conservation and improvement of transportation facilities which would keep many people employed for a long time.

In my constituency of Erie two such projects have been on the drawing board for many, many months. These are very worth-while endeavours involving flood control in the City of Port Colborne, and modifications to the old Welland Canal to accommodate mooring of ships. The total cost of these two projects is roughly $9 million.

If the current administration were willing to sponsor either or both of these projects, which would cost but a small fraction of the $1.5 billion bailout of Canadair, the benefits to the environment and the local economy would be tremendous. Federal funding would be put to good use in assisting with these projects, especially in light of the fact that over $5 million was granted in the neighbouring constituency for creating parks and doing landscaping.

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WESTERN GRAIN TRANSPORTATION ACT

LETTERS SUPPORTING RETENTION OF CROWSNEST PASS RATE

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, I rise today to bring to the attention of the Prime Minister (Mr. Trudeau) and his Government 1,500 letters individually signed by residents of the Prince Albert area, who ask for Crow rate retention. These letters, which are addressed to the Prime Minister, were gathered by the Prince Albert Chamber of Commerce and reflect broad based public opinion which continues to support retention of the Crow rate.

These 1,500 letters, together with 3,400 petition signatures and 2,100 signed endorsements of the New Democratic Party's Crow retention policy, add up to an extremely significant statement of public opinion. I will send these letters across to the Prime Minister and I ask him to answer my written question involving public representation of the Crow retention.

A similar question to the Minister of Transport (Mr. Pepin) produced 38,713 signatures favouring Crow retention, and only 69 for Crow change. That is a 99.8 per cent vote in favour of Crow retention. This kind of public response clearly demonstrates why New Democrats continue to oppose Bill C-155 and propose an alternative policy which will upgrade the railways and keep the Crow rate for western farmers. We want to ensure that western voices are heard by the committee on transport, and we urge that the committee travel throughout the West in its examination of Bill C-155. I have those letters here in my hand, Madam Speaker.

Some Hon. Members: Hear, hear!

S.O. 21

AIR TRANSPORT

SUPPORT FOR PROPOSED BAN ON SMOKING IN AIRCRAFT

Mr. Gilbert Parent (Welland): Madam Speaker, some two weeks ago I made representation to the Minister of Transport (Mr. Pepin) with regard to the possibility of having a partial or complete ban on smoking in all aircraft whose flights originate in Canada. My colleagues will be interested to know that since that time I have received over 150 letters. Just this morning I received support for that proposal from one group which spoke for 34,000 Canadians.

I realized that my colleague, the Member of Parliament for Restigouche (Mr. Harquail), asked a question yesterday. I believe the Hon. Member for Hamilton-Wentworth (Mr. Scott) also brought this to our attention. The purpose of my statement is to encourage Hon. Members, and to say that if they are also getting this kind of response for a ban such as this, perhaps we should be moving to institute such a ban, in view of the fact that it is for the safety of Canadians in the first instance, while also adding to the comfort of people who are travelling. I encourage those who hear me to write to me, to my colleague from Restigouche, or to the Hon. Member for Hamilton-Wentworth. Together we will try to determine if we can get this instituted into law on flights originating in Canada, on behalf of all the people of Canada.

* * *

• (1410)

DISCOVERY DAY IN NEWFOUNDLAND

CELEBRATION OF FOUR HUNDREDTH ANNIVERSARY

Mr. Doug Lewis (Simcoe North): Madam Speaker, according to our rules the House does not sit tomorrow as we celebrate St. Jean Baptiste day to honour one of the two founding peoples of Canada.

I wish to bring to the attention of the House the fact that tomorrow is also an important holiday for Newfoundland. June 24 is Discovery Day in Newfoundland, and it is especially significant this year as Newfoundland celebrates its four hundredth anniversary.

On August 5, 1583, Sir Humphrey Gilbert read a proclamation in St. John's, which was then a settled community, formally claiming sovereignty in the name of Queen Elizabeth I, and thereby establishing Britain's first colony. Today, her direct descendant, Prince Charles, and the Princess of Wales, are in St. John's to inaugurate the four hundredth anniversary celebrations officially.

I am pleased to bring this national historic event to the attention of the House in the absence of my colleagues from St. John's East and St. John's West who are in St. John's to participate in the official ceremonies. I am sure all Hon. Members will want to join me in saluting the proud people of Newfoundland on the occasion of their four hundredth anniversary.

Some Hon. Members: Hear, hear!

BROADCASTING

VANCOUVER COMMENTATOR'S VIEWS OF MEDIA WATCH GROUP

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, recently a commentator on CKVU-TV in Vancouver topped his own reputation for promoting poisonous prejudice by stating, "It is my hope that Media Watch and its army of snoops will be found in the front lines where they can be raped by the Russians." I am sure that all Hon. Members of Parliament abhor such an obscene statement from a professional broadcaster on a station which is licensed by the CRTC.

Media Watch is dedicated to informing the public on issues surrounding the portrayal of women in the media and the detrimental effects of sex role stereotyping and pornography. This incident shows the need for such a service.

CKVU-TV, by refusing to apologize or demand a retraction from its commentator, has condoned hatred and violence against women generally. Media Watch appropriately refused an opportunity to rebut on CKVU because "the question of whether or not women should be raped by an invading army is not debatable."

As in the case of First Choice Pay TV, the CKVU incident makes a mockery of the unenforceable human rights policy of the Canadian Association of Broadcasters. Since the broadcasting industry is not policing itself, legislative action is imperative. I urge the Government and the House to give priority to the Private Members' Bill proposed by the Hon. Member for Broadview-Greenwood (Ms. McDonald), which would amend the Broadcasting Act to prohibit such abusive comments.

Madam Speaker: Order.

* * *

BLOCK PARENT PROGRAM

FUNDS REQUIRED FOR NATIONAL MEETING

Mr. Jack Burghardt (London West): Madam Speaker, almost all Members of the House will be aware of the important work of the Block Parent Program. From its humble beginnings in London, Ontario, in the Fall of 1968, the Block Parent Program has grown to the point where it now encompasses 800 plus communities of all sizes. There are Block Parent communities in all ten Provinces and in both Territories. All of the 800 plus Block Parent communities in the national Block Parent Program use the same national symbol and house sign, thus enabling children to move from one coast of Canada to the other and still find their sign of safety, the national Block Parent house sign, in windows of houses in their new communities.

The Block Parent Program has provided a service of untold value to lost or frigthened children and their families throughout Canada. However, there is some concern that national Block Parent communication needs to be strengthened through a national advisory committee and the opportunity for Block

Parent organizations from the various regions of Canada to meet face to face in personal dialogue. Toward that end a national Block Parent advisory committee meeting has been proposed for October of this year. The cost of such a meeting would be $7,000, a small price for a meeting of such an important national organization, but one which its voluntary members will find difficult to raise. In the interest of preserving the national Block Parent Program and its important work, I would hope that the federal Government, perhaps through the Solicitor General's Department, can provide some financial assistance to bring a national meeting to fruition.

• (1415)

ORAL QUESTION PERIOD

[*English*]

ACCESS TO INFORMATION

REQUEST THAT MINISTER TABLE REPORT ON CONSOLIDATED COMPUTERS INCORPORATED

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, yesterday the President of the Treasury Board and the Minister of Justice held a joint press conference at which they announced the dawn of a new day for openness of government. I would like to give the President of the Treasury Board the opportunity to demonstrate his seriousness when he talks about access to information. Will the President of the Treasury Board undertake to table in Parliament a copy of the Anderson Report on Consolidated Computers, which chronicled how that Minister presided over the $125 million loss on Consolidated Computers?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I will have to check into the status of the document and see whether it is a cabinet document—

Some Hon. Members: Oh, oh!

Mr. Gray: I will be delighted to get back to my hon. friend on this.

Mr. Beatty: Madam Speaker, if the Minister has a hard time finding it, I will give him my copy.

* * *

THE PRESS

PROPOSALS TO REGULATE—REQUEST THAT LEGAL OPINION BE TABLED

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, my supplementary is directed to the Minister of State for Multiculturalism who, last week, in response to a question I put on the legality of his proposals for the newspaper industry, replied, "As to constitutionality, the advice of the Department of Justice . . . ", which I take is the Minister, " . . . is that our proposal will be quite within the constitutional parameters." In keeping with the spirit of freedom of information, will the Minister table all materials he has received from the Department of Justice, or other Departments, with respect to the constitutionality of his proposals?

Hon. Jim Fleming (Minister of State (Multiculturalism)): Madam Speaker, I expect when this legislation does come forward, is tabled in the House and reaches debate, that that discussion can be held in committee. Surely that is the more proper procedure.

Some Hon. Members: Oh, oh!

Mr. Fleming: I do not understand how that is hiding anything, if we are prepared to follow the proper course in public debate and discussion. I do not know why, ahead of the event, Hon. Members would imply that. I am not trying to conceal anything. I feel that is why we have these officials, to give us advice. Their advice is that it is legal.

* * *

ACCESS TO INFORMATION

REQUEST FOR ANSWERS TO ORDER PAPER QUESTIONS PUT BY DECEASED MEMBER

Mrs. Jennifer Cossitt (Leeds-Grenville): Madam Speaker, my question is for the Prime Minister. In keeping with the spirit of the new Access to Information Act, will the Government now be providing answers to the 412 unanswered questions placed on the Order Paper since the beginning of the Thirty-Second Parliament by the former Hon. Member for Leeds-Grenville?

Some Hon. Members: Hear, hear!

Mrs. Cossitt: Or is the Government still afraid to expose itself to the complete public scrutiny for which the Act provides?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, since this session commenced we have answered 4,151 questions on the Order Paper, which represents 82.9 per cent. I can assure the Hon. Member that the former Hon. Member for Leeds-Grenville was, in fact, the person who had more questions answered than anyone else. We are continuing to answer those questions standing in his name as I am provided with the answers by the various Ministers.

Mrs. Cossitt: The questions are being answered very slowly, Madam Speaker. It is obvious that the Government only intends to pay lip service to the new freedom of information act.

Some Hon. Members: Hear, hear!

Oral Questions

HOLDERS OF AIR CANADA PASSES

Mrs. Jennifer Cossitt (Leeds-Grenville): Madam Speaker, my supplementary question is directed to the Minister of Transport. Question No. 30, which has been on the Order Paper for over seven years, asks for the names of all those individuals who hold free Air Canada passes. This question still remains unanswered. Is the Minister now prepared to give us a specific date when he will provide the information requested? Or does the Minister not intend to answer that question?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I will try to do better in the future than I have in the past.

* * *

THE ECONOMY

LEVEL OF INTEREST RATES

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, my question is directed to the Minister of Finance. I would like to congratulate him for being so elegantly dressed today in his blue conservative jacket. His recovery is obviously well under way.

A group of Members of Parliament met recently with some Canadian and American Congressmen and Senators. We were told that the Americans were not going to get their deficit down and that all the Congressmen had other priorities, the Democrats with social programs, the Republicans with defence programs, and that there would be no compromise. Therefore the American deficit would continue and we would have upcoming high interest rates. This is a very serious matter for the Canadian economy. Would the Minister tell the House what steps he recommended to Cabinet, or he is prepared to take, to prepare against this eventuality, that is, to make our interest rates independent of American ones? Is he now prepared to bring down Canadian interest rates so that we will have some real sustained recovery as we all want?

• (1420)

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I will not pass any comment on the blue shirt worn by my colleague, but I will address the more serious aspect of his question.

I should like to remind him that today interest rates on Treasury bills and on Government bonds extending up to seven years are lower than American rates. My hon. friend remembers that over the last two years there were times when Canadian rates were up to 5 per cent and 6 per cent above American rates. We have pursued a very appropriate monetary and fiscal policy. We are seeing the very beneficial effects of that policy at the present time in terms of lower inflation, a high rate of growth, and interest rates that are now even lower than the American ones. All of this is taking place while we enjoy a stable dollar.

I think the policies the Government has followed in the last year and a half have certainly been appropriate for the situation I hope that for the rest of this year and also in 1984 the Canadian people will reap the benefits of all the sacrifices which all of us have been asked to carry in the last year.

MINISTER'S POLICIES

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, as a supplementary question let me ask the Minister about the benefits people are reaping. Supposedly we have a recovery, about which the Minister has been crowing in the House of Commons. Would he agree that we have high rates of unemployment, that he has been going around the country attacking consumers because his budget will put a lot of taxes on them later, and that he has been attacking labour, because he is now speaking of wage controls?

I would like to know what are the Minister's policies. Will we face another six and five, say a four and three program? What does the Minister mean when he attacks labour, and wage increases? What will he do to lower the rate of unemployment? We cannot have a recovery if we still have so many unemployed people in the country. This is a profits recovery, not a people recovery.

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, my hon. colleague has some very strange information sources. I would remind him that not only were we successful in bringing down inflation to 5.4 per cent this May, compared to last year, but since 1982, we have also managed to create about 330,000 new or additional jobs in Canada. Employment has been rising regularly and consistently during the last six months, and during the last two, we were able to bring the unemployment rate down from 12.8 percent to 12.4 per cent. The unemployment rate is still very high, too high, and we must keep on trying to bring unemployment down. In any case, we shall be successful in doing so if we bring down inflation, which will keep our interest rates at a fairly low level, and our prices competitive on world markets. When I criticized certain wage settlements, one in particular, I was not criticizing the workers or union leaders specifically. I merely said that employers and workers, or rather their union leaders, has not acted responsibly.

I am happy to see that at the present time, collective bargaining agreements are being negotiated in a very responsible manner, since the average wage settlement amounts to about 6.5 per cent in the private sector, if we exclude the construction industry. However, we shall have to try and avoid situations in the construction industry that would touch off another inflationary spiral, which would affect the workers themselves first of all.

Madam Speaker: Order, order!

[*English*]

EMPLOYMENT

ALLOCATION OF FUNDS TO PROGRAM FOR THE EMPLOYMENT DISADVANTAGED

Mr. Cyril Keeper (Winnipeg-St. James): Madam Speaker, in the absence of the Minister of Employment and Immigration I will direct my question to the Minister of Finance because it involves priority in the allocation of funds to employment programs.

• (1425)

The Government has a program called PED for the employable disadvantaged people. Fundamentally it is a wage subsidy program to subsidize the wages of people who would be otherwise on welfare, or prisoners coming out of prison as they get jobs in the private sector. The Program works providing employment—

Madam Speaker: Order, please. I wonder if the Hon. Member is conscious that he is describing a Program which all Members know. He should go directly to his question. We do not need that.

Mr. Keeper: I am glad that all Members are aware of the Program. I will get straight to the question. Why is the Government putting this Program in the deep freeze for the summer? The funds are exhausted. Summer is the high point for this Program. Why not put additional funds into it, as this Program is working for the disadvantaged, rather than leaving them out to dry with no money to keep the Program working?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I thank the Hon. Member for the promotion which he is giving to that Program and, I hope, other Government programs in the area of employment as well. I am glad to see the NDP supporting all of our efforts in the area of employment creation.

Some Hon. Members: Oh, oh!

Mr. Lalonde: Some Members are not supporting our efforts at creating jobs, but at least one NDP Member is reasonable and has the proper appreciation of what is taking place. I want to indicate to the Hon. Member that I appreciate his support for that Program. I will examine, with my colleague, the Minister of Employment and Immigration, whether it is true that the funds are exhausted and whether the Program will be able to expand during the course of the summer. I am sure the Minister will want to examine this situation very carefully.

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CANADIAN NATIONAL RAILWAYS

NEGOTIATIONS WITH CAST SHIPPING GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, my question is for the Minister of Transport. It arises out of recent events with respect to Cast, the possible loss of 400 or 500 jobs, and the possibility of the creation of 7,000, 8,000 or 9,000 new jobs in Canada. Has the Minister been briefed by Dr. Maurice LeClair, the President of Canadian National Railways, any of their officials, or any of his officials, with respect to the winding down of the operations of EuroCanadian Shipholding Limited? If so, with respect to those briefings, has he contemplated any further action?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I had the same briefing the Hon. Member received in camera in committee. The gist of it is that there are still disagreements between members of Cast and CN. A number of these were listed to the Hon. Member in committee. My present position is to leave the Order in Council on the table for a short while, until we find out what is going to happen. It may be that the difficulties can be resolved in the future. Some are hopeful, some are not, but I have decided to let the situation develop for a little while.

INQUIRY RESPECTING MINISTER'S ACTIONS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I hope I do not have to ask a third supplementary. I wish to ask the Minister a very specific question. As a result of any initiative that the Minister or any of his officials may have taken, or as a result of any initiative taken by either the Royal Bank or the Bank of Montreal, did the Minister have meetings today, or will he have meetings later today or tomorrow with that group, with respect to this issue? May I ask a third supplementary, because I realize the afternoon is waning. As a result of any briefings which the Minister may or may not have had, has he had any reason to consult with any of his colleagues in Government with respect to any further investigative action?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the answer is no to the two parts of the question. I have not had a recent report from the President of the CNR and I have not had any discussion with my colleagues on this subject since the Order in Council was passed.

* * *

• (1430)

ACCESS TO INFORMATION

REQUEST FOR ANSWERS TO ORDER PAPER QUESTIONS

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, returning to the subject of freedom of information, in view of the Government's commitment yesterday to abide by the spirit of the Access to Information Act, will the Prime Minister promise to provide answers to Order Paper Questions Nos. 2,158, 2,159 and 2,160, standing in the name of my colleague, the Hon. Member for Okanagan North, since February 24, 1981? These important questions deal with Mr. Joel Bell's contractual relationship with Petro-Canada, his participation in the preparation of the National Energy

Program with Energy, Mines and Resources officials, and possible serious conflicts of interest on the part of Joel Bell, Mr. Bill Hopper, Senator Jack Austin and other senior Government officials. Will the Prime Minister now give the Canadian people access to the truth of this matter?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if that is all that the Hon. Member can think of, I will be happy to take notice of the question.

Mr. Siddon: Madam Speaker, I presume that means that the Prime Minister is prepared to answer these important questions.

REQUEST THAT GOVERNMENT RELEASE PUBLIC OPINION SURVEY RESULTS

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, further to the Government's new informative spirit, will the Prime Minister give his undertaking to release all public opinion surveys conducted at taxpayer's expense since 1980 on such important subjects as the Constitution, the energy policy, and economic issues? Will the results of these costly polls be released on a timely basis, meaning as soon as possible, to Members of Parliament and to all the people of Canada, who paid for them?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Act is coming into effect incessantly and I would think that the Hon. Member would want to use the provisions of the Act.

Mr. Hnatyshyn: Incessantly?

Mr. Trudeau: I would ask the Hon. Member to look up the word "incessantly" in the dictionary.

REQUEST FOR RELEASE OF TASK FORCE REPORT ON CANADAIR

Mr. Scott Fennell (Ontario): Madam Speaker, I would like to commend the Prime Minister for bringing this important legislation, the Access to Information Act, forward at this time. In the spirit of this Act would the Prime Minister now permit his Departments to release the 1981 and 1982 task force report on Canadair prepared by government officials, so that the standing committee can intelligently deal with the future of the Challenger aircraft?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the last two questions have referred to the spirit of the Act. The legislation is there. It says what it says. Why does the Opposition not use the Act to get the documents it is asking for?

Mr. Fennell: Madam Speaker, that speaks well for access to information.

EMOLUMENTS OF CROWN CORPORATION EXECUTIVES AND DIRECTORS

Mr. Scott Fennell (Ontario): Madam Speaker, I will direct a supplementary question to the President of the Treasury Board. In view of the provisions of the Access to Information Act, will the President of the Treasury Board table in the House the salaries of all executives and the remuneration paid to all directors of Crown corporations that are responsible to the Government of Canada?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, that information is in the hands of the responsible Ministers. That is the type of question which, if placed on the Order Paper, generally elicits a complete and fair response. If my hon. friend is so serious about the spirit of the Act, perhaps he could also respect the spirit of the rules of Parliament in that regard.

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RACISM

MONTREAL CLUB'S REFUSAL TO ADMIT BLACK CUSTOMERS

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Madam Speaker, my question is directed to the Secretary of State. In the past week I have learned of an ugly incident that arose in Montreal when a downtown cocktail lounge, known as Le Club Calgary, refused entry to several black citizens and the owner stated that he would close his doors before admitting any black faces. While the Government has agreed to set up a special committee to deal with racism, can the Secretary of State say whether any immediate action can be taken to deal with this issue to assure just treatment for the black community of Montreal?

Hon. Serge Joyal (Secretary of State): Madam Speaker, I was appalled when I read in the news the report that the Hon. Member has just mentioned. In a free and civilized society anyone should be able to enter any commercial establishment and not be barred on mere grounds of race, colour, or any other forms of discrimination. It is my strong intention to ensure that the agenda of the next federal-provincial conference on human rights, that is to take place on September 8 and 9 of this year, will include an item on implementation of a human rights act, either provincial or federal, and that that be a topic of discussion and action for all the Ministers who have accepted the invitation to attend the conference.

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CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

COMPREHENSIVE DEVELOPMENT STRATEGY

Mr. Douglas Roche (Edmonton South): Madam Speaker, my question is directed to the Secretary of State for External Affairs who will note that the most intensive independent

investigation ever undertaken of Canada's foreign aid program has just been completed by the North-South Institute which today published two reports dealing with Bangladesh and Tanzania. The over-centralization and excessively complex approval procedures of CIDA have been criticized, along with the lack of direction toward clear and practical goals.

Given that the new president of CIDA, Mrs. Margeret Catley-Carlson, has just been appointed, will the Government produce what has been seriously lacking, a comprehensive development strategy for the eighties, so that Canadians can be assured that our aid will proceed in the smoothest way possible to help the poorest people in the least developed countries?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, that very question is under consideration by myself at the present time.

Mr. Roche: Madam Speaker, it certainly has been under consideration by the Secretary of State for External Affairs because the question has been brought up by myself in committee several times. I wonder if the reason for the lack of strategy is that the strategy for 1975 to 1980 was rated by the North-South Institute as a failure on 15 out of 21 points.

INTERNATIONAL CONFERENCE

Mr. Douglas Roche (Edmonton South): Madam Speaker, I direct my supplementary question to the Secretary of State for External Affairs as well. The two reports in question today put only part of the blame for underdevelopment in Bangladesh and Tanzania on the respective Governments of those two countries for not giving a high enough priority to ensuring that their own people become more productive. How does the Government intend to re-gear Canada's aid program so that it will reduce aid dependency and increase self-reliance in those countries. Since aid is only a small part of the development process, will the Canadian Government now support the calling of an international financial conference to enlarge the facilities of the international financial institutions, which would resolve the debt crisis that is impairing the least developed countries today?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I agree with the Hon. Member when he says that international development is a much broader subject than is the question of aid. It applies to many other aspects including the question of debt.

The Hon. Member asked specifically about an international monetary conference. He will have noticed that in the Williamsburg Declaration there is an intention subscribed to, that the Ministers of Finance, in co-operation with the International Monetary Fund, will examine the circumstances under which the holding of an international monetary conference might be feasible. I believe that a very important recognition was made by the Summit leaders that the monetary situation requires constant monitoring.

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FISHERIES

ALICE ARM, B.C.—IMPACT OF MINE DUMPING OPERATION

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of Fisheries and Oceans and is in regard to the Amax mining operation at Alice Arm in British Columbia. I am sure that by now, the Minister is in possession of the study made by EVS Consultants of British Columbia, which has determined that 57 per cent of the species and 51 per cent of the individual organisms within five and one half kilometres of the mine's outfall are dead. Since groups representing an absolute majority of Canadians support a full public inquiry into the mining operation, and since the mine is close, will the Minister indicate whether or not he will call a full public inquiry into the subject? Will he comment in the House on the fact that, after dumping less than 5 per cent of the allowed tonnage, over one half of the marine life is gone within five and one half kilometres of the mine's outfall in one of the best fishing grounds in Canada?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Madam Speaker, as the Hon. Member knows, a scientific committee has studied the question and I do not think that the assertions made by the Hon. Member reflect all of the facts.

LAND DISPOSAL OF MINE TAILINGS

Mr. Jim Fulton (Skeena): Madam Speaker, my supplementary question is directed to the Minister of Mines. I am sure the Minister must be aware of the fact that a federal Government study has determined that safe on land tailings could be constructed at the Amax Kitsault operation for about a 2 per cent difference on return on investment to Amax Corporation. Since there are still workers at the closed mine site, would the Minister undertake to make use of Section 38 of the Unemployment Insurance Act, as she has for other closed mine sites, and any other measures that Cabinet might propose at this time, to ensure that safe on land tailing ponds are constructed during this period while the mine is closed? Studies that have been provided to the Government indicate that over half of the life in the first five kilometres of the inlet is dead.

• (1440)

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, I should like to inform the Hon. Member that we are looking at job-creation proposals from Amax using Section 38. The 2 per cent which the Hon. Member referred to, however, translates to $23 million. Given the current situation and the cash flow problems of the company, $23 million is a fair amount of money. In addition, I should like to point out that all environmental studies indicate that the procedure being used now is a safe procedure.

[*Translation*]

THE ECONOMY

GOVERNMENT MEASURES TO IMPROVE ECONOMY

Mrs. Éva Côté (Rimouski-Témiscouata): Madam Speaker, my question is directed to the Hon. Minister of Finance, and with your permission, I would like to get back to the economic situation in Canada. According to the statistics, the present inflation rate is 5.4 per cent, the lowest in 10 years, and unemployment is dropping as well. It would therefore seem that the Hon. Minister of Finance made the right decision at the right time, and he is to be congratulated. However, I would like to know whether the Minister believes the economic situation will continue to improve and if so, what does he recommend Canadians should do to achieve this?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the results achieved by the Canadian economy in recent months are due to joint action taken by all levels of government in Canada and all citizens who supported the 6 and 5 program. To answer the Hon. Member's question very briefly, I think it is extremely important that we should continue to act in the same spirit of solidarity and self-discipline with respect to the demands we make on the economy, both in terms of prices and wages. I am convinced that after the experience of this past year, all Canadians will be in favour of strongly supporting the policy that has been the Government's during that time.

* * *

[*English*]

INDUSTRY

NEWMAC MANUFACTURING INCORPORATED—REQUEST FOR LOAN GUARANTEE

Mr. Bruce Halliday (Oxford): Madam Speaker, I have but one question for the Minister of Industry, Trade and Commerce, and he has had previous notice of it. It concerns Newmac Manufacturing Incorporated which has plants in Nova Scotia and Ontario. The company has a dire need for an immediate loan guarantee. I am sure that Minister is aware of the viability of the company. In the last seven years of operation it has had six years of profit, and has forecast sales for this year of over $8 million, $2 million of which are for export. At the moment $1.5 million worth of orders are waiting to be fabricated and sold by the end of July.

Could the Minister indicate if he is prepared to assist this company with a loan guarantee? If he cannot give immediate approval, would his officials be willing to meet with company officials in Ottawa in the immediate future?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, my officials have already met with officials of the company this week. As the Hon. Member knows, the Government of Canada through the FBDB already has substantial financial exposure with the company to date. It is highly unlikely that we will be able to give financial assistance in the short time frame that the Hon. Member requests.

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CRIMINAL CODE

AMENDMENTS TO CURB STREET PROSTITUTION

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is for the Minister of Justice. At three o'clock this afternoon the Minister will table what are called the proposed amendments to the Criminal Code relating to obscenity, and soliciting for the purposes of prostitution. The mayors of various cities and municipalities across the country have been calling for a considerable period of time for some firm action to overcome the "pressing and persistent" requirement imposed by the Supreme Court of Canada on the provision that covers soliciting for the purposes of prostitution.

Will the proposed amendments that the Minister will table be sufficient to deal with the complaints that have been received by citizens across the country, particularly those represented by the mayors and municipalities?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, it is a little difficult to discuss this in advance of the tabling of the document to which the Hon. Member refers and of which I have given him advance notice. I think I can say that it is because I am not satisfied that the amendments I will propose in either of the areas of pornography or prostitution are in themselves sufficient, that I will also announce an additional step later this afternoon. I will certainly keep the Hon. Member informed of that.

DELAY IN ENACTING AMENDMENTS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, the matter of soliciting for the purposes of prostitution has been before the Standing Committee on Justice and Legal Affairs for 18 months. That Committee issued a report with very specific recommendations about amendments to the Criminal Code designed to deal with the problem presented to the Government by the decision of the Supreme Court of Canada.

Why is the Minister delaying further any action with respect to the Criminal Code, having regard to the fact that through the Standing Committee on Justice and Legal Affairs the House has spoken very clearly and has made specific recommendations which should be taken to heart by the Minister, since they were supported by Members of his own Party?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, again it is very difficult to debate this before the documents are presented. The Hon. Member quite correctly refers to the report of the Standing Committee on Justice and

Legal Affairs. It was not unanimous support, however, Madam Speaker; three of the four women on the Committee dissented from that report. I think that is an indication of the lack of consensus that exists in Parliament and in the country on this issue. I would be very happy to discuss this more fully after the documents are in the public domain.

* * *

ACCESS TO INFORMATION

SUGGESTED ROLE FOR JOINT COMMITTEE ON STATUTORY INSTRUMENTS

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I should like to direct a question to the President of the Treasury Board which becomes relevant because of the proclamation on July 1 of the Bill with respect to information and privacy. For some time there has been concern in the House about which Committee the Bill would be directed to. I have made suggestions, as has the Hon. Member for Wellington-Dufferin-Simcoe, that the Government might consider the Joint Standing Committee on Regulations and Other Statutory Instruments as the appropriate Committee through which the Bill would report to Parliament. I know that the Minister has been consulting with the Minister of Justice on the matter. Has a decision been made with respect to this?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I have been consulting with my colleague, the Government House Leader. There has not been a decision as yet. I note the suggestion made by my hon. friend, but another possibility is the Justice Committee. I will endeavour to have a decision available and communicated to my hon. friend as soon as possible.

STAFFING OF COMMISSIONERS' OFFICES

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I have one other question with respect to the Act. So that Parliament may know the depth of the commitment of the Government in terms of man years and other assets that are important to the two Commissioners, would the President of the Treasury Board table a list of the particular public servants who are to be employed specifically in the offices of the two Commissioners who are reporting under that Act, as soon as possible. Could it include the man years that are to be allowed for the two Commissioners and whether those man years will be increased as time goes on? Could it contain, particularly, the initial man years so that Parliament may know the commitment of the Government to the two new Commissioners.

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, I can go beyond what my hon. friend is requesting and provide the information right now. We will be proposing to Parliament, in a supplementary estimate to be presented in the fall, an interim level of 46 person years and a budget of $2.8 million for these offices. We are willing to consider proposing to Parliament higher resource levels for future years when there has been some experience with the work load. We hope the House will support the supplementary estimates to cover these resources which we are asking for on an interim basis.

* * *

FINANCE

TAXATION OF NORTHERN BENEFITS

Mr. Dave Nickerson (Western Arctic): Madam Speaker, I have a question for the Minister of Finance. Is the Minister now prepared to change the plan announced last November to tax certain northern benefits which had not been previously taxed?

Hon. Marc Lalonde (Minister of Finance): No, Madam Speaker.

STATEMENT MADE BY MEMBER FOR NUNATSIAQ

Mr. Dave Nickerson (Western Arctic): That being the case, Madam Speaker, may I ask if the Hon. Member for Nunatsiaq was in error on April 13 when he said that the Minister of Finance promised to deal with the taxation issue once the budget debate was concluded?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member for Nunatsiaq has been very active on this issue. He has done an excellent job and has been very devoted to the interests of his voters. In meetings that I had with him and some of his constituents I indicated that I would be ready to review the situation. As I indicated in my previous answer to the Hon. Member when he asked me if I was ready to announce anything, the answer is no.

* * *

• (1450)

EXTERNAL AFFAIRS

CHILE—INQUIRY RESPECTING CANADIAN AID

Mr. Dan Heap (Spadina): Madam Speaker, my question is directed to the Secretary of State for External Affairs. As he is no doubt aware, Chile is on the eve of a general strike led by copper workers, bus drivers and taxi drivers, who are heading up a wide, disciplined, non-violent coalition of Chileans demanding restoration of the democracy that Chile maintained for several decades before Pinochet's coup in 1973. Pinochet's dictatorship has responded with increased government violence, beatings, killings, kidnappings and jailing of union leaders.

In light of this grave unrest, fueled by 21 per cent inflation, almost 30 per cent unemployment, and the bankruptcy of several banks and mutual credit funds, will the Minister explain to this House why Canada recently chose to assist in

the sale of oil to the Pinochet regime, and why Canada chose to renew the Export Development Corporation's line of credit to a Government apparently collapsing because of its brutality to its own people?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Madam Speaker, I gather the Hon. Member is raising in a general way the relationship we should draw between forms of economic assistance and collaboration with countries which have a record of less than full respect for human rights. The Hon. Member knows this is a rather complex question but it was fully addressed with respect to Central America by the sub-committee of the Standing Committee on External Affairs. I found their conclusions reasonably acceptable, namely, that in all cases it would be wrong to deny economic collaboration or assistance to a country because of human rights violations. Certainly where the violations are so gross that it is impossible to implement appropriate programs to assist people, then that ought to be a conclusive factor.

* * *

ROYAL CANADIAN MOUNTED POLICE

MOVEMENT OF DIVISIONAL HEADQUARTERS FROM VICTORIA, B.C.—PLIGHT OF FORMER EMPLOYEES

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, my question is for the Solicitor General. When RCMP divisional headquarters was moved from Victoria last year the Minister said the negative impact would be minimal since employees would be given top priority for other federal jobs in the Victoria area. But top priority has not helped many of these employees, especially in the CR-4 and CR-5 categories. Other Departments have sloughed them off as being unsuitable or untrainable. They face permanent unemployment because Government Departments refuse to recognize the priority system.

Is the Minister aware that the system of priority placements is not working for these employees? Will he personally look into the Victoria situation and make representations to the Public Service Commission to ensure that other Government Departments give proper priority to former RCMP employees?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, first of all I would like to assure the Hon. Member, and through him the people of British Columbia, that the move of the regional headquarters from Victoria to Vancouver has been an excellent one from the point of view of effective law enforcement, which has been considerably enhanced in British Columbia by the rationalization involved in that move. As I indicated at the time, those members who wanted to remain in Victoria, and civilian staff who did not want to move to Vancouver, would be given priority for alternate federal employment in the Victoria region. I will certainly look into the allegations of the Hon. Member and try to ensure that priority is being respected by other Government Departments.

VETERANS AFFAIRS

REQUEST THAT COMMEMORATIVE MEDAL BE STRUCK TO HONOUR DIEPPE VETERANS

Mr. Gordon Taylor (Bow River): Madam Speaker, my question is directed to the Minister of Veterans Affairs. The battle of Dieppe in 1942 undoubtedly saved countless lives in the D-Day invasion two years later. Six thousand soldiers and eight RCAF squadrons participated at Dieppe. Given the fact that there were more than 3,000 casualties, including 907 Canadians killed and 1,946 taken as prisoners of war, I am wondering when the Government of Canada is going to strike a medal, or at least a ribbon, for these courageous Canadians.

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Madam Speaker, traditionally medals are struck to commemorate participation in campaigns, not usually for participation in specific battles. It is for this reason a medal was not struck for Dieppe.

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TRANSPORT

STUDY OF ATLANTIC FREIGHT RATE SUBSIDIES—PRESENTATION OF REGION'S INDUSTRIAL CAPABILITY

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, my question is directed to the Hon. Minister of Transport. Since the freight assistance program is considered to be essential to the maintenance and development of the regional economy in Atlantic Canada, and the removal of the present subsidy could result in rate increases of as much as 50 per cent, what steps does the Minister plan to take to preserve Atlantic Canada's industrial capability?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have answered this question a number of times. The first point I made was that we are having a study done now. Similar studies were done in the past of the 1927 Maritime Freight Rate Assistance Program. The decision is not made; we just want to know what purpose these subsidies accomplish now. In knowledge there must be some value.

The second point is that I have read articles from the Maritimes, some of them by prestigious organizations, to the effect that these subsidies do not play the role they possibly used to play in the past in the Maritimes. Third, in recent years I have developed what I call the Maritime envelope under which, when the federal Government makes savings in the Maritimes on subsidies, we put them in that envelope and use them for other transportation purposes. I think that makes sense, does it not?

REQUEST THAT PROGRAM BE RETAINED

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, surely the Minister is aware that the four Premiers of the Atlantic Provinces have endorsed the present program, and any changes will result in the curtailment of markets, lost

income, and reduced employment opportunities. Therefore, will the Minister encourage the retention of the freight assistance program which all Governments in Atlantic Canada have indicated is essential to the maintenance and development of Atlantic Canada's regional economy?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend is a very experienced politician. Would he not be surprised if the provincial politicians in the Maritimes did not endorse a federal subsidy in the Maritimes? Would he not be surprised? I would be very surprised.

We have a federal-provincial memorandum of understanding, under which both they and we are committed to the kind of study we are making now. It seems to me all of that makes sense. Anyway, the decision will not be taken in camera, it will be an open one following discussions with the interested parties. At the moment the consultant is consulting with some of them, and federal and provincial officials will be in communication with different groups, too. So, the decision will be a public one, not secretive.

* * *

HEALTH CARE

INQUIRY RESPECTING SERVICES TO BE PROVIDED UNDER PROPOSED LEGISLATION

Mr. Jim Hawkes (Calgary West): Madam Speaker, my question is for the Minister of National Health and Welfare. Can she share with the House any plans she has for the new Canada Health Act which would affect the issue of comprehensiveness? Specifically, in the new Canada Health Act will there be an expansion of services to include groups such as nurses, physiotherapists, psychologists and so on?

[*Translation*]

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, in May of last year, at the annual meeting, certain proposals were made to the provincial Ministers regarding the entrenchment in the new Canada Health Act of basic health services that now exist in all ten provinces, so that once and for all, all Canadians will know that they are entitled to certain essential services throughout the country. As far as I know, there have not yet been any positive reactions. Some provinces are wondering whether or not it would be risky to do so, and all this will be discussed again when I show them the new Bill as soon as it is ready.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on June 1983, meet the requirements of the Standing Orders as to form.

The petition presented by the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) does not meet the requirements of the Standing Orders as to form.

* * *

• (1500)

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Verdun-Saint-Paul (Mr. Savard), Shefford (Mr. Lapierre), Laval (Mr. Roy), Saint-Denis (Mr. Prud'homme), Montréal-Sainte-Marie (Mr. Malépart), LaSalle (Mr. Campbell), Saint-Jacques (Mr. Guilbault), Saint-Henri-Westmount (Mr. Johnston), Louis-Hébert (Mr. Dawson) and Ottawa-Vanier (Mr. Gauthier) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, Revised Statutes of Canada, 1970, to the Report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

BANKS

TABLING OF COPIES OF REPORT ON STATUS OF FOREIGN BANK SUBSIDIARIES

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, in accordance with the provisions of Standing Order 46(2), I wish to table, in both official languages, two copies of the Report on the Status of Branches of Foreign Banks.

* * *

[*English*]

WAYS AND MEANS

TABLING OF NOTICE

Hon. Paul J. Cosgrove (Minister of State (Finance)): Madam Speaker, pursuant to Standing Order 64(1), I wish to table, in both official languages, a Notice of Ways and Means Motion with respect to the interpretation of Canada's international conventions relating to income tax and the Acts implementing such conventions.

Tabling of Documents

CRIMINAL CODE

TABLING OF DRAFT BILL RESPECTING OBSCENITY AND SOLICITATION

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I am pleased to table a draft Bill to amend the Criminal Code concerning the subjects of obscenity and solicitation. I will be making a further statement later outside the House, Madam Speaker, on these subjects.

Some Hon. Members: Oh, oh!

Mr. Lewis: Point of order!

Mr. Hnatyshyn: Point of order!

Madam Speaker: I recognize the Hon. Member for Saskatoon West on a point of order.

Mr. Hnatyshyn: Madam Speaker, I rise on a point of order with respect to this most unusual, unprecedented practice on the part of the Minister of Justice (Mr. MacGuigan), by which he stands in his place and tables a document which is not legislative in nature but, rather, a paper which is referred to as being a proposed Bill to amend the Criminal Code. This impinges upon the rights and privileges of Members of the House of Commons inasmuch as the Minister is tabling a document on which we have no opportunity to comment or question but, rather, he runs across the street to the Press club theatre to make a statement, outside of the House of Commons.

My point of order is simply this. When the Minister stands up and abuses the privileges as a Minister by tabling a document which is not parliamentary, not legislative, and prevents us from making any comment or observations in the House of Commons, I say that my privileges and those of all my colleagues are thereby diminished. I say that this document should not be allowed to be tabled unless it is legislative in nature or unless he makes a statement on motions, a statement with respect to the document tabled, so that we may have an opportunity to question him with respect to his intention in Parliament.

Some Hon. Members: Hear, hear!

Mr. Pinard: Madam Speaker, the Hon. Member is absolutely ridiculous. We have tabled many draft bills in the past. This is one other example. We did it with the Income Tax Act and we did it with the energy legislation. We are now doing it again. We are informing Parliament with courtesy. The Hon. Member is complaining. He is totally ridiculous and should go back to the small claims court.

Madam Speaker: On this particular point of order, the Hon. Member knows, of course, that the Chair has no means at her disposal to force a Minister to make a statement in the House. Ministers of the Crown may choose the manner in which to inform the population or Members of Parliament of their different moods. I am afraid that I cannot recognize this as being a point of order.

PETITIONS

MR. MITGES—NUCLEAR WEAPONS

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I wish to present a petition signed by 179 residents of the City of Owen Sound and surrounding areas of the riding of Grey-Simcoe in the Province of Ontario who support the goal of general disarmament and urge the federal Government to negotiate and implement with other Governments all steps that would lead to bilateral agreement to halt the testing, production and development of all nuclear weapons systems.

MR. TAYLOR—CLIFFORD ROBERT OLSON

Mr. Gordon Taylor (Bow River): Madam Speaker, I take great pleasure in presenting a petition on behalf of another 432 residents of Canada asking for early consideration of Bill C-671 and the early execution of Clifford Robert Olson. And as in duty bound your petitioners will ever pray.

MR. SARGEANT—BROADCASTING REGULATIONS

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I have the honour and privilege of presenting a petition signed by a number of residents of the Province of Manitoba and one person from the Province of British Columbia who are concerned about the proliferation of so-called adult programming on pay television and of pornography in various media. They call upon this Parliament to demonstrate its opposition to the denigration of women by enacting an Act to amend the Broadcasting Act, as introduced by the Hon. Member for Broadview-Greenwood (Ms. McDonald) on March 8, 1983.

MR. BENJAMIN—RETENTION OF CROWSNEST PASS RATE

Mr. Les Benjamin (Regina West): Madam Speaker, I have the honour and duty to submit two petitions containing some 66 names of residents of Saskatchewan from places like Mankota, McCord, Fir Mountain, Glentworth, Meyronne and Laflèche, in which they petition Parliament assembled to maintain that western farmers will pay one times the Crow rate, since the amount that grain producers now pay to ship grain is their fair share of the cost.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory grain Crow rate.

MR. PARKER—SALARIES OF STAFF OF M.P.s

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, I have the honour to present a petition. The petition of the undersigned residents of Canada, who now exercise their right to present a grievance, humbly sheweth that the salary budget for staff of Members of Parliament is frozen until August 3, 1984, under the six and five program, that M.P.s were not informed of the freeze until well into the first year of

the program and that, as a result, the staffs of most M.P.s will not receive any salary increases during 1983 and most of 1984.

Wherefore the undersigned, your present petitioners, humbly pray and call upon Parliament to increase salaries of the staffs of Members of Parliament so that these employees are able to meet the financial arrangements they entered into based on salary increases M.P.s and staff were led to expect. And as in duty bound your petitioners will ever pray.

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PARLIAMENT BUILDINGS

DIEFENBAKER BILL OF RIGHTS NOT DISPLAYED

Mr. Jack Shields (Athabasca): Madam Speaker, I am not entirely sure whether to raise this matter or to seek your good advice, but as the House of Commons is totally under your jurisdiction, let me say that I have received a number of visitors to the House of Commons in the past two weeks and these people, who have been from western Canada, have expressed disappointment that the Diefenbaker Bill of Rights in both official languages is not displayed for view in the Hall of Honour. Would Madam Speaker perhaps consider having some attention given to this oversight?

Madam Speaker: The matter of the display in the Hall of Honour is not entirely under my jurisdiction. I simply agreed to allow the displays to be made. I believe it is the responsibility of the Secretary of State (Mr. Joyal) or another Minister of the Cabinet, but it is not my responsibility.

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CANADA LABOUR CODE

AMENDMENT RESPECTING ADMINISTRATION OF COLLECTIVE AGREEMENTS

Mr. Dan McKenzie (Winnipeg-Assiniboine) moved for leave to introduce Bill C-688, an Act to Amend the Canada Labour Code (collective agreements).

He said: Madam Speaker, the explanatory note of the Bill states that this amendment to the Canada Labour Code would ensure that the administration of a collective agreement would not have a discriminatory or detrimental effect on the employees covered by that agreement in comparison to other employees not covered by the agreement.

The main reason for the Bill is that Crown corporations have a double standard in negotiating early retirement benefits. They are giving handsome settlements to some groups, but not to others.

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

• (1510)

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. 4,722, 4,806, 4,878 and 4,900.

[*Text*]

CNR—NAKINA, ONTARIO TERMINAL

Question No. 4,722—**Mr. Penner:**

What are the total itemized savings and/or costs to be incurred by the Canadian National Railways, should it cease to use the Nakina, Ontario terminal for crew changes?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): The management of Canadian National Railways advises as follows:

An estimated annual savings of $1.2 million to CN should be realized through the avoidance of terminal time and terminal overlap time at Nakina, held-away payments at Nakina, non-operating employees costs, administration costs, such as those related to medical and uniform code of operating rule examinations, brake-shoe and wheel wear, fuel consumption, equipment delays, and building operation and maintenance.

The costs to be incurred by CN will not be known until the employee benefit and relocation agreement has been negotiated with the unions involved.

CNR—REHABILITATION PROGRAM IN WESTERN CANADA

Question No. 4,806—**Mr. Murta:**

Is the Canadian National Railways undertaking a rehabilitation program for the summer months in western Canada in 1983 and, if so (a) how many persons will be hired from each Province (b) will the majority of employees hired be residents of western Canada?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): The management of Canadian National Railways advises as follows:

Yes. (a) and (b) Based on initial hiring, personnel to be employed on Canadian National's Grain Line Rehabilitation Program in 1983 will originate from the various Provinces as follows:

Alberta	20
Saskatchewan	220
Manitoba	94
Ontario	9
Quebec	12
Nova Scotia	1

This represents initial employees hired as of May 16 and does not account for possible replacements to be taken on later in the year.

All hirings are seasonal for approximately a six month period, except for 20 full-time positions which are included in the above totals; 19 of the employees holding these positions originate from Saskatchewan and one originates from Manitoba.

CANADA-MANITOBA DROUGHT STUDIES ADVISORY COMMITTEE

Question No. 4,878—**Mr. Mazankowski:**

1. Is there a Canada/Manitoba Drought Studies Advisory Committee and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the Government?

2. (a) What are the terms of reference of the Committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Committee publish in the fiscal year 1982-83?

Hon. E. F. Whelan (Minister of Agriculture): 1. Yes, a Drought Proofing Studies Advisory Committee has been established under Program 1 of the Canada-Manitoba Interim Subsidiary Agreement on Water Development for Regional Economic Expansion and Drought Proofing.

(a) and (b) (i) The members are:

Dr. J. C. Gilson, Professor, Department of Agricultural Economics, University of Manitoba, Winnipeg.

Dr. R. McGinnis, Dean, Faculty of Agriculture, University of Manitoba, Winnipeg.

Dr. G. Laliberte, Head, Department of Agricultural Engineering, University of Manitoba, Winnipeg.

Professor C. Booy, Department of Civil Engineering, University of Manitoba, Winnipeg.

Dr. H. Schellenberg, at time of appointment, Resource Economist, Manitoba Department of Natural Resources; presently, Agricultural Resource Economist, Manitoba Department of Agriculture, Winnipeg.

Mr. E. Somers, at time of appointment, Development Officer, Canada Department of Regional Economic Expansion; presently, Manager, Program Implementation, Canada Department of Agriculture, Winnipeg.

Mr. J. Wiens, Acting Director of Agriculture and Food Development, Canada Department of Agriculture, Winnipeg.

Mr. D. Davis, Director, Inland Waters Directorate, Environment Canada, Regina.

Mr. D. J. Berry, Chief, Planning Services, PFRA, Regina.

Mr. M. Wallace, Senior Development Officer, Manitoba Department of Economic Development and Tourism, Winnipeg.

Mr. E. Bossenmaier, Director, Resource Allocation, Manitoba Department of Natural Resources, Winnipeg.

Mr. G. C. Jenkins, Chief, Land and Water Section, Manitoba Department of Agriculture, Winnipeg; replaced Mr. R. Filteau, who retired in 1981.

Mr. D. N. Potter, Financial Analyst, Manitoba Department of Finance, Winnipeg.

Mr. E. A. Poyser, at time of appointment, Manager, Development and Analysis, Canada Department of Regional Economic Expansion; presently, Project Co-ordinator for the Drought Proofing Studies, Department of Agricultural Economics, University of Manitoba, Winnipeg.

Mr. N. Mudry, Agreement Provincial Co-Manager, Chief of Water Management, Manitoba Department of Natural Resources, Winnipeg.

Mr. G. H. MacKay, Agreement Federal Co-Manager, Director, Manitoba Affairs, PFRA, Winnipeg.

(b) (ii) The Committee members have all been appointed for the duration of the Program 1 studies.

(c) The Committee members do not receive any remuneration for serving on the Advisory Committee. Where applicable, travel expenses for government employees have been provided by various departments. Non-government Committee members have not incurred travel expenses because all meetings to date have been held at the University of Manitoba.

(d) Other than employee time and travel costs (when applicable) there are no governmental expenditures (federal or provincial) being made for the Drought Proofing Studies Advisory Committee per se.

2. (a) The Drought Proofing Studies Advisory Committee is responsible for: ensuring that issues of concern of those knowledgeable of drought and its effects are presented to the Contractor (Department of Agricultural Economics, University of Manitoba)* and the Management Group;** advising the contractor on the consistency of his analysis with actual experience; suggesting how the results can be presented in a way that provides the greatest amount of useable information to potential users; and advising the Management Group on technical aspects of the study.

(b), (c) and (d) There is no fixed schedule for Advisory Committee meetings. These may be requested at any time by either the Contractor or the Management Group.

During the fiscal year 1982-83, the Advisory Committee met twice. Its activities focused primarily on formulating a number of development and drought mitigating scenarios which the econometric models should be capable of analysing. These scenarios were forwarded to the Management Group and were accepted. The Advisory Committee also reviewed the Contractor's progress and found it acceptable. This was reported to the Management Group by the Agreement Co-Managers. Other than the above noted listing of scenarios and their components, the Advisory Committee did not publish any material in 1982-83.

* The Department of Agricultural Economics, University of Manitoba, has been retained under the Canada-Manitoba Agreement to develop and test a series of econometric models which will be used to analyse the impact of drought on Manitoba's economy under existing conditions, and, under various development and drought mitigating scenarios.

** A Management Group composed of senior federal and provincial officials has been charged with overseeing the implementation of the Agreement. The Federal Co-Chairman is Dr. H. M. Hill, Director General, PFRA, and the Provincial Co-Chairman is Mr. T. E. Weber, Director, Manitoba Water Resources Branch, Manitoba Department of Natural Resources.

SOUTH KOREA—IMPORT RESTRICTIONS

Question No. 4,900—**Mr. Heap:**

Does South Korea prohibit the importation of footwear or clothing from Canada?

Hon. Gerald Regan (Minister of State (International Trade)): Imports of footwear and clothing into Korea from all countries, including Canada, are not absolutely prohibited. In the case of footwear, imports are not restricted, i.e. import licences are automatically approved, but the general tariff is 50 per cent. One exception is women's dress shoes, which, though granted automatic import licence approval, are under surveillance. However, it is likely that this item will receive full automatic approval status this year.

In the case of clothing, of a total 217 tariff items, 142 items are restricted under the Annual Trade Plan and a further 34 under other Special Laws. The remaining 41 items or 18.9 per cent are automatically issued import licences. In addition, the general tariff rate on all clothing is 50 per cent.

[*English*]

Mr. Smith: Madam Speaker, I would ask that the remaining questions be allowed to stand.

[*Translation*]

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

[*English*]

Mr. McKenzie: Madam Speaker, I would like to ask the Parliamentary Secretary about two questions that I have had on the Order Paper for quite some time. One question goes back to November 18, 1981. I have raised this point about six or seven times in the House. I have asked the Parliamentary Secretary to obtain some kind of answer from the Minister of Transport as to why he will not answer my question asking if the Minister of Supply and Services, the Minister of Industry, Trade and Commerce and the Minister of Indian Affairs and Northern Development took a JetStar flight to Winnipeg for the official opening of the General Aluminum Forgings Incorporated on October 30, 1981, and, if so, in each case, other than the Minister and the aircraft crew, who was on the flight.

It is my understanding that they were transporting Grit workers to Manitoba to work in the provincial election there. In view of all this grand ballyhoo we have heard today about freedom of information, I would like the Parliamentary Secretary to inform me what kind of an answer he has received from the Minister of Transport.

I also have an inquiry about question No. 4,175 which I have had on the Order Paper since March 24, 1982. This is an extremely important question. The Government and a number of Government departments have hiring teams going into universities in Ontario and Quebec to hire one nationality for jobs in the Government. I would like to know if these hiring teams are going into any other Provinces. I am particularly interested in my own Province. Are they going into universities there to hire people for jobs in the Government? I understand that some of the departments have provided the information to whomever is responsible for giving answers here in the House. I would like the Parliamentary Secretary to explain why he cannot provide this information to me and the Canadian people about this discriminatory policy of the Government.

Mr. Smith: Madam Speaker, I can advise the Hon. Member that when I receive a reply from a Minister I then table it. I believe it is safe for him to assume that if I have not tabled an answer to either of those two questions it is because I have not yet received replies from the respective Ministers.

I would also like to assure him and other Hon. Members that each time a Member rises in the House, as he has just done, to ask me to make inquiries as to the progress of the preparation of an answer to a question on the Order Paper, I do in fact make those inquiries. He can assume that I have made further inquiries but I have not to date received an answer.

One course of action that is, of course, open to him is the one that the Hon. Member for Leeds-Grenville took today. If he wishes to put a question to the Minister of Transport directly in the House during Question Period, that option is open to him.

All I can do is convey his concerns and the concerns of other Hon. Members to the Ministers and once I receive the reply from them I table it. He can safely assume that if I have not tabled a reply it is because I have not received it.

Mr. Beatty: Madam Speaker, I would like to invite you and the Parliamentary Secretary to join me in celebrating the second birthday of question No. 2,672 which was put on the Order Paper on June 23, 1981. The question is a simple one which asks about the Government's public opinion surveying since the 1980 election. The Parliamentary Secretary said that in any instance when a Member of Parliament asks why his question has not been answered he makes inquiries. I have raised this matter on at least two separate occasions.

Can the Parliamentary Secretary tell us why his track record is so poor in getting decent responses to these inquiries that he is making? What is the point of putting questions on the Order Paper in the first place if they are not answered? What is the point of our raising them with him if his inquiries go nowhere?

Mr. Smith: Madam Speaker, I have answered 82.9 per cent of all the questions placed on the Order Paper in this session. I do not think anyone is batting over .350 in the American or

National Leagues. If he wants to talk about batting averages 82.9 per cent is not bad.

The answer which I gave to the Hon. Member for Winnipeg-Assiniboine is the one that applies here. When a question is raised with me in the House, I raise it with the Minister. I cannot put that Minister on the rack and extract an answer from him.

Some Hon. Members: Why not?

Mr. Smith: Because I have no authority to do that. I do convey the concerns of Hon. Members and I do relay the answers once I have received them. Of course, I will be delighted and honoured to convey once again the concerns of the Hon. Member to the Minister in question with regard to this matter.

[*Translation*]

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

Some Hon. Members: Agreed.

* * *

[*English*]

MOTIONS FOR PAPERS

Mr. Beatty: On a point of order, Mr. Speaker, according to my Order Paper for today, dated Thursday, June 23, 1983, the next item of business after Questions on the Order Paper is Notices of Motions for the Production of Papers. I noticed that they were not called. I wonder if you will be calling that item because I have another point to raise with regard to Notices of Motions for the Production of Papers.

The Acting Speaker (Mr. Blaker): I have been advised by one of the Table officers that apparently the Notice of Motion for Production of Papers to which the Hon. Member refers was called yesterday.

Mr. Beatty: It is on the Order Paper for today.

The Acting Speaker (Mr. Blaker): Obviously I am not informed on the subject. I am relying on the information that is being given to me at the moment.

Mr. Smith: Mr. Speaker, you are quite correct. Notice of Motions for the Production of Papers was in fact called yesterday. There may be some legitimate confusion as a result of the fact that we switched the normal business for Wednesday to Thursday.

In the event that it were to be called, I would have been asking that all Notices of Motions for the Production of Papers be allowed to stand.

Mr. Beatty: Mr. Speaker, today's Order Paper does list it, and while we are on the subject, could the Parliamentary Secretary tell the House why yesterday or today he has not responded to Notice of Motion for the Production of Papers No. 73, standing in my name since December 2, 1981, asking that an order of this House do issue for a copy of the results of each public opinion survey commissioned by the Government since the 1980 general election? If he cannot get answers from the Ministers with regard to questions on the Order Paper, how is he doing with Notices of Motions for the Production of Papers? When will I get an answer to that?

Mr. Smith: Mr. Speaker, the same principle applies. If I can be of assistance to the Hon. Member, in the event that he is unhappy about the fact that the Minister concerned may not be forthcoming, he can request that the matter be transferred for debate. He could then have the matter debated. In fact, I think there is a shortage of matters on the list for debate under Notices of Motions for the Production of Papers. That is one course of action that is available to him.

Mr. Beatty: Transfer for debate.

[*Text*]

OPINION SURVEYS COMMISSIONED BY GOVERNMENT SINCE 1980

Motion No. 73—**Mr. Beatty:**

That an Order of this House do issue for a copy of the results of each public opinion survey commissioned by the Government since the 1980 general election.

Transferred for debate.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Blaker): Shall all orders listed under Private Members' Public Bills preceding Order No. 463 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

OLD AGE SECURITY ACT

AMENDMENT TO CHANGE NAME OF ACT

Mr. D. M. Collenette (York East) moved that Bill C-663, to amend the Old Age Security Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, I am indeed pleased to be able to proceed this afternoon with my Private Members' Bill. It is a rather simple Bill and I hope the House will give it expeditious approval.

In summary, Bill C-663 seeks to amend the Old Age Security Act and to change the title of that Act to read the "Senior

Citizens Benefit Act". The reason I am proposing this elimination of the words "old age" is that they do imply that at age 65 a person is no longer capable of leading a productive life or making a valuable contribution to society.

• (1520)

The reason I bring this matter before the House today stems from the fact that the constituency which I represent in Metropolitan Toronto has, I believe, the highest number of senior citizens of any constituency in that area, and has probably one of the highest numbers in the country. I am sure, along with places such as Victoria, the area of York East, comprising the Borough of East York and the "old town" of Don Mills, as we call it, has one of the highest numbers of senior citizens in the country.

Tomorrow on my birthday I will become a certain age. I do not believe that the passage of time has diminished my effectiveness just because I turned a certain age. And I am sure that just because someone reaches the age of 65, their ability or effectiveness is not diminished. In my constituency, Mr. Speaker, we have a large number of senior citizen groups who perform a range of community activities and tasks. This group meets almost incessantly, whether for a legitimate community activity such as the raising of funds for worthy projects, to work on handicrafts, or for lawn bowling, to play euchre or bridge and participate in other forms of recreation. Indeed, up until recently many members of the Borough of East York Council were people approaching or over the age of 65, although that has changed somewhat in the last few years. In my constituency, however, senior citizens continue to take a leading role through church and community organizations.

As we know, Mr. Speaker, the population of senior citizens is rapidly increasing due to a number of factors, not the least of which is that married couples today are choosing to have fewer children. With medical advances, we have noted that the life expectancy for Canadians has increased dramatically over the last few years. I do not have the actual figures but I believe the life expectancy for a man in this country is about 70 years and for a women it is about 75 years. As we come out of the current recession and embark on a new era of economic growth based on high technology industries in which Canada has a leading edge, it is my submission, Mr. Speaker, that, notwithstanding all the gloomy forecasts which one reads in the press, there will indeed be a labour shortage as the years go by.

One way, of course, to deal with that, as Canada has dealt with it traditionally, is through immigration. However, there is a debate as to whether or not Canada should be taking skilled people from the underdeveloped countries. Perhaps these people should be staying in their own countries to develop the economies there. Of course, we can take large numbers of unskilled workers, and we have done that I am happy to say over the years. However, it seems to me that with new opportunities for growth and labour shortage demands, especially in skilled trades, it would be worth while if we encouraged the private sector, certainly the Public Service, to keep people on the job past the age of 65.

If the medical advances which I have cited are correct, then it stands to reason that people are just as agile at the age of 69 as they were at the age of 65. I note, for example, our colleague, the Hon. Member for Winnipeg North Centre (Mr. Knowles), who has toiled many years in the House, is over the age of 65. He has made and continues to make a very effective contribution to the House of Commons. He has certainly set an example for those of us who are many years his junior.

The former Member for Spadina in the 1940s and 1950s, now in the Senate, Senator David Croll, is one of those life senators who at the age of 83 still comes to the caucus every Wednesday. In fact, as my colleague, the Hon. Member for Restigouche (Mr. Harquail), will testify, Senator Croll made a very lucid intervention this week at our national Liberal caucus. He is a gentleman who undertakes speaking engagements at the age of 83 and chaired an all-party Senate committee a few years ago at which time he issued a very laudable and worth-while report entitled "Retirement Without Tears". If one opens that report one finds a quotation from Psalms 71:9, and I quote:

> Cast me not off in the time of old age; forsake me not when my strength faileth.

One of the recommendations in his report is that the mandatory retirement age be abolished. It has been contended by a number of people—and I would lean towards this interpretation myself—that with the recent enactment and entrenchment of the Charter of Rights, a mandatory retirement age provision of 65 may be proven to be unconstitutional.

I have been rather active in the last year or so in fighting the post office on behalf of one of its employees. I have many constituents in my riding who work at the central postal facility. This gentleman, who was doing a manual job and performing it very well, had no performance problems and a good work record, had to retire at the age of 65 when he was clearly capable of carrying on his particular tasks. We fought that case through the Canadian Human Rights Commission and we received a "stay of execution" for this particular gentleman. However, he was forced to retire this year at the age of 66. Post office officials admit that there was no appreciable difference in his performance at the age of 66 from what it was the day before his sixty-fifth birthday.

Obviously, we cannot make a carte blanche statement that all persons over the age of 65 are of sound mind and body and that they can perform the tasks of younger people. Equally, however, we cannot say that people who have reached the age of 60 years can do the same kind of work. In my submission, a retirement age of 65 is completely and utterly arbitrary and should be changed. In fact, one of the recommendations of Senator Croll's committee was, of course, to abolish this mandatory age for retirement. One of the arguments which was used is quoted on page 51 of the report:

> Finally, the increasing burden of the older dependent population should be reduced by the elimination of mandatory retirement at age 65. The new environment which is envisaged for the mid-1980s on—with demand for labour

high and age discrimination abolished—should result in the increased participation of older workers in the labour force. As a result of this increased participation, more goods and services will be produced to support those of the older population who are not working.

The report then goes on to state its conclusions. Put quite simply, Mr. Speaker—and this is as a result of representations I have received from a number of my constituents—it is felt that the words "old age" are somewhat derogatory. Really, when one thinks of old age, one thinks in Keynesian terms. I feel that when one uses the term "old age this" and "old age that", it really conjures un memories of the workhouses, the alms houses, and of another era which is long gone. Today, as we see in our own House of Commons, in the Senate and through our society, because of medical advances and improved social conditions, people are living longer, making more productive use of their lives and their skills, and certainly should be utilized by society.

This change, if enacted, will not cost the Government anything; it can be done simply by a stroke of the pen. I have been led to believe that the Government has some reservations about making this change on the argument that the whole pension system is being studied by a committee of this House. The fact is, Mr. Speaker, that the enactment of this change, as I have proposed, will in no way undermine that particular study now being conducted by my colleague, the Hon. Member for Sudbury (Mr. Frith).

• (1530)

In conclusion, I take great pleasure in bringing this Bill forward. I am sure by the rapt attention I have received from Hon. Members that they are of one mind and will allow the Bill to go to committee. Hence we will have rapid passage and end this blatant discrimination, in a sense semantic discrimination, in one of our statutes. Henceforth when someone receives one's pension at the appropriate time in the month, one will not be receiving an old age pension; one will be receiving a senior citizen's benefit.

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, I am not surprised that this particular issue was raised by the Hon. Member for York East (Mr. Collenette) because of his well known concern not just for senior citizens but for people. This has been very evident throughout his career as a Member of Parliament. I am sure that when he went through the legislation and saw something which struck a negative cord in his mind about the meaning or the semantic implication of words such as "old age", it was only a short time thereafter that he saw fit to draft a Bill and fortunately got it on the list for discussion today.

When we are considering this kind of Bill in Private Members' Hour, we are provided with an opportunity to be reminded of the need for additional help to senior citizens. All too often there is a tendency to think that we have done about all we could possibly do and that there is no crying need out there for anything other than possibly more money. Innovative governments have indicated areas where senior citizens have fallen short financially either because pensions were not in existence during the 1930s and 1940s or because their pensions were so small or not indexed that inflation has eaten away at them to the point where they must go out and seek employment, despite the fact that they cannot draw unemployment insurance and are not protected under provincial workmen's compensation plans. Out of sheer necessity such senior citizens have had to go out to work.

Governments of various political stripes have seen fit to get together and provide benefits, such as senior citizens not having to pay OHIP premiums. In other areas assistance is given in the form of cheaper hair cuts, free bus rides and things of that nature. At the federal Government level low rental housing units have been provided for senior citizens. It is hard to imagine that prior to 1968 some initiative had not been taken in this particular way because it has been such a successful program and has met a particular need of senior citizens.

A Bill such as this one reminds us of the fact that we must constantly look for the opportunity to come up with ways and means for Canadian taxpayers to help the people who made the country what it is today, the people who gave of their time, their effort and their skills to see to it that Canada became one of the great nations of the world. I would remind people who have a tendency to knock this country that when I held a portfolio in Immigration, in those particular days and even now somewhere between 700,000 and 900,000 people per year applied to come to Canada because they saw it as a great and wonderful place in which to live and, more important, where they would receive decent treatment. We have often heard that a country is judged by the way it treats its senior citizens or people in need. Senior citizens are the people who gave the image and character that we know as Canada today.

I was a little surprised when I heard a stage whisper across the way that this was only a frill, that it just changed the name. I suggest with respect that it is more than that. It is an indication that we are trying to remove, as we do with women's issues, any chauvinistic implication of legislation. It is appropriate that the Hon. Member for York East is trying to do what he can to give a better impact to a Bill of this nature, particularly by the name change.

It is not unusual that this kind of thing takes place in Private Members' Hour. If we want to recommend anything in this particular place, it costs money. We must do it in the form of a motion, whereas in Private Members' Hour we are pretty well confined. We have to be innovative and find ways and means for Private Members to right what is perceived as a wrong or to correct something which gives the wrong indication. For example, Canada Mortgage and Housing was once known as Central Mortgage and Housing. The idea of "Canada" being in the name rather than "Central" points to the impact of the symbolism of using the name Canada.

I believe it was the Minister of Energy, Mines and Resources (Mr. Chrétien) when he was a Private Member who brought in a Bill to change the name of TransCanada Airlines to Air Canada. We have seen things such as the Dominion Bureau of Statistics being changed to Statistics Canada because it has a more solid and better image of what that Department is all about. We had a recent indication of how a

Private Member could significantly change the country's history when the name Dominion Day was changed to Canada Day, much to the pleasure of the majority of Canadians, although they might not have like the method of accomplishing it. When we have tried 347 other ways of getting this done and finally come up with a solution on a Friday afternoon, I think it is one of the better things we have done here in Private Members' Hour.

Also I remember that when Father Sean O'Sullivan was here he was checking around and discovered that there was nothing to indicate that the beaver was the Canadian symbol. Through a Private Member's Bill action was taken. It may seem a frill or it may seem unimportant, but it is one more indication of the thoughtfulness of people who want to move in this particular way to make such a change.

When I began my remarks I said that we were being given an opportunity to talk about our senior citizens. All too often we talk about two million people over the age of 65 and have a tendency to get lost in the numbers rather than deal with individual needs. There are many senior citizens, single pensioners or others, who for one reason or another—quite often through no fault of their own—miss out on the Canada Pension Plan or on an old age pension.

Because we are talking about senior citizens and the proposed name changes, I want to highlight the story of a Royal Canadian Air Force veteran who was 27 years of age when he enlisted. He won his wings at Summerside, Prince Edward Island. He rose to the rank of Warrant Officer First-Class. He was given a Spitfire and he wheeled it over Great Britain and France, as Rod Goodman indicated in his article which appeared in the *Sunday Star* on June 19. He pointed out that this man's war service for Canada ended when his right leg was crushed. He spent a year in British Hospitals undergoing bone transplants to save the leg; his kneecap was removed. His Spitfire was shot down by a cannon from a German fighter just off the English coast in 1943.

As Mr. Goodman indicated, this grateful country welcomed him home. He returned to his job in a meat packing plant but it was no good because his leg would not function in the cold. He decided to start his own business. While his wife worked in an insurance compensation department, he helped found the Metro Cab Company. The climate continued to torture him. The significant part of the story is that finally a doctor from the Department of Veterans Affairs—he was not one of Mr. Wright's own physicians whom he could have set up to do this—told him that he could expect pain to be his constant companion unless he moved to a warmer climate. In the spring of 1952, just before turning the age of 38, Mr. Wright and his wife moved to California. They did what they could there, working in various ways to maintain their income. They returned each year to visit his aging mother until her death four years ago.

The Wrights now live in Escondido, California. Mr. Wright thought that he should at least be entitled to a partial old age pension. He had been paying into the United States social security system and was receiving a small pension that did not help ends meet. This spring, at age 69, he applied for a partial Canadian Government old age pension; he was turned down.

• (1540)

What are the criteria? The regional director of pensions in Toronto says that an applicant outside Canada may qualify for a partial monthly pension provided he or she was a Canadian citizen or a legal resident of Canada on the day preceding the day he or she ceased to reside in Canada. Mr. Wright qualified on that score, but he was defeated by the second stipulation that he or she reside in Canada at least 20 full years after attaining the age of 18.

We know why that specific requirement was put into the Act. However, this war veteran who was shot down, who endeavoured to do what he could to maintain himself in Canada, who was told by a Veterans Affairs doctor that he had to move to a southern climate, is not applying for a full pension but asking for a partial old age pension.

Here is the tragic part of the whole matter. Mr. Wright qualified on the ground that he had been a Canadian citizen when he left the country, but he was defeated by the second stipulation that he or she reside in Canada 20 full years. Because a war injury forced him to a southern climate when it did, Mr. Wright fell 60 days short of help from the Canadian Government.

Mr. Goodman asks, was it fair? I do not think it was fair. I have already brought this to the attention of the Minister of Veterans Affairs (Mr. Campbell). I asked for his help in endeavouring to convince the Minister of National Health and Welfare (Miss Bégin) that there must be some way to find a discretionary way of giving this former Royal Canadian Air Force officer, this veteran, some help with his pension when he so desperately needs it.

This is the kind of matter we can highlight in the Bill such as this. It indicates that people like Mr. Wright are part of the two million who seem to fall between the chairs of the legislation. I do not think anyone in Canada really feels that Mr. Wright is not entitled to some form of pension. It is typical of Mr. Wright that he did not ask for the full pension but for a partial pension, because he had paid into social security in the United States. I will keep pressing this issue, as other Members press issues involving senior citizens.

There are two concerns. The Hon. Member for York East indicated that the Government was not very keen on this move because pensions, and all that sort of thing, are being discussed at the present time. I do not know what the Government is thinking or whether it would contemplate raising that argument in this debate.

There are two matters that concern me. The first is whether the demand for the name change is as widespread as is indicated here, given the fact that money will have to be spent in order to make that change. I wonder if those who are looking for help at this time could see us spending money on the name change—and it would be a significant amount of money—or whether they would feel those dollars and cents might be better spent on pensioners, money they would like to see on

their cheque, no matter what the name is at the top of the cheque.

I think that given the choice, most pensioners would prefer to see the significant funds associated with implementing a program name change directed instead to the pockets of their less fortunate peers. Do pensioners really want us spending taxpayers' dollars on devising and publicizing a new name and seeing its implementation through? I do not know that that is really what they anticipate or are looking for when they look to Government.

What I would like to see as our first social priority is to raise the level of the guaranteed income supplement payable to single pensioners. This was stated in the federal Government's green paper on pension reform, "Better Pensions for Canadians". The necessary funds are not available as yet. I like the "as yet" because it gives the impression that that issue as raised in the green paper is something that will be implemented by the Government. The money is not available as yet. Lest people think there is a niggardly amount of money being spent in this area, we should point out that the taxpayers of Canada contribute $8 billion annually for assistance, cheques and moneys of one kind or another for our senior citizens.

I heard a stage whisper earlier that this might be considered a frill rather than something significant that we should be doing. I do not consider it that way. I feel it is a good move by a Member who has a real concern about the impact of the negative response that one gets from the idea of old age. Old age connotes to all of us individuals passionately and desperately in need of help, unable to look after themselves and requiring assistance of one kind or another. I think the suggestion of using the term "senior citizens" is more appropriate. I hope that one day the Act will be changed in that way, if this Bill does not go to committee as a result of this debate.

We have a tendency when using the words "old age" to think, unhappily, in a negative way. Those who have taken the time, and that is probably true of all Members of Parliament, have been very much impressed with the many organizations that pensioners and older Canadians have formed in recent years, in part to present their views to Governments on various issues affecting them. I do not know whether they have made a representation with respect to this name. If not, I am sure it will be added to their list, as it should be.

These groups have a long list of accomplishments. Right now many are involved in preparing submissions and presentations to the parliamentary task force on pension reform, referred to by the Hon. Member for York East. Two such organizations have already had the opportunity to appear before the task force, the Council on Pension Reform for Singles and the National Pensioners and Senior Citizens Federation. The focus of their presentations was how to improve our pension system to provide better benefits for older Canadians, both now and in the future.

Among the recommendations of the Council on Pension Reform for Singles was a suggestion that the income guarantee to single pensioners be raised at least to the poverty line and then additionally increased to compensate those singles born too soon to participate in the Canada Pension Plan. The Council also suggested that a death benefit similar to that payable to a Canada Pension Plan contributor's estate be made available under the Old Age Security Program on behalf of these same single pensioners. Other recommendations concern the provision of larger tax exemptions for single pensioners and payment of Old Age Security at age 60 to single pensioners looking after aged parents or those forced to retire due to disability or poor health.

What is significant about all these studies is that when people join these organizations and bring forth these studies, they have a tendency to focus on the areas where they know the need to be rather than what you or I, Mr. Speaker, perceive the need to be.

The National Pensioners and Senior Citizens Federation propose, among other things, continued payment of OAS-GIS for six months to the surviving spouse of a deceased pensioner, quarterly indexation of Canada Pension Plan benefits, payment of OAS-GIS at age 55 to widows of disabled pensioners and a gradual lowering of the eligibility age for pension benefits to age 60.

If this is any indication of what the task force can expect to hear from other organizations representing pensioners, and I expect that it is, financial security for pensioners is their main concern, and I underline "main". If we lived in an unreal world where money was no object, these pensioner organizations might have suggested to the parliamentary task force that the Government consider a new name for the Old Age Security Program. However, pensioners are practical people. They know only too well what the real problems are of getting by from day to day.

I do not want to speak any longer on this Bill other than to say that I would endorse the change. If it does not come about as a result of this debate or a vote on this Bill, I expect it will be one of the changes that will come about in the not too distant future.

Mr. Kilgour: Mr. Speaker, I did not realize that the Hon. Member for Regina West (Mr. Benjamin) wished to speak, but if there appears to be no speakers other than him, I suggest we might go on to the next matter of business, provided that this matter remains on the Order Paper.

The Acting Speaker (Mr. Blaker): In view of the fact that the Hon. Member for Regina West wishes to speak, the Chair should recognize him. Perhaps I can put the proposal or suggestion of the Hon. Member for Edmonton Strathcona (Mr. Kilgour) after the House has heard the Hon. Member for Regina West.

• (1550)

Mr. Collenette: Mr. Speaker, I rise on a point of order. It shocks me somewhat that a Member from the Official Opposition would rise in his place and propose that this debate be, in effect, adjourned without hearing anyone from his Party discuss the subject. Does his Party not care about senior citizens?

Mr. Les Benjamin (Regina West): Mr. Speaker, I am not aware of the reason it was proposed I be heard and the Bill be put over on the Order Paper. In any event, I will not take up more than a few minutes because I do not want to assist in talking out the Hon. Member's Bill.

I should say to my friend, the Hon. Member for York East (Mr. Collenette), that he should have talked to the Hon. Member for Sarnia-Lambton (Mr. Cullen) about helping to talk out his Bill. That is something that one does not do to a colleague. If the Government does not want the Bill, it should be left for the Treasury benches or the Parliamentary Secretaries to talk out.

I would like to say that we support the Bill. We would be quite agreeable to seeing it passed today at second reading and referred to the appropriate standing committee. The Bill does not call for the expenditure of money or anything like that. It is perfectly in order.

I would also like to say that there have been numerous occasions when Private Members have had their Private Members' Bills accepted by the House, or at least there has been agreement that the subject matter of the Bill be referred to the appropriate standing committee. I would prefer to see this Bill adopted at second reading and go to the committee as is or, at the very least, the subject matter be referred. I am sure the Bill could be dealt with very expeditiously in the committee.

The test of the decency and civilization of any society is how well it treats its old and sick and disadvantaged. What we need, of course, is a Government Bill—because I know that the Hon. Member could not have proposed such a thing in his Bill as it would call for the expenditure of money—to provide that all of these people, the old, the sick and the disadvantaged, receive benefits to ensure that their incomes fall significantly above the poverty line. We need a Bill to ensure that any other benefits they might receive outside of Government programs would be taken into consideration, because there are literally hundreds of thousands of the old, disabled or disadvantaged in the nation who are at or below the poverty line.

Any nation that can afford to spend $8 billion on a fighter plane that I do not believe is needed or is of any use to us—

Mr. Cullen: Not $8 billion.

Mr. Benjamin: Yes, that is what it will end up costing. However many billions of dollars it will cost, if the money for that can be found, the money for something that is much more important to the people I have mentioned can surely be found.

I hope that the House will agree to let this Bill go to the committee. If the Government does not want the Bill, it can always stop it at report stage or at third reading if it wishes. I think the least we could do, as a courtesy to the Hon. Member for York East and because it has been requested by senior citizens right across the country, is let the Bill go through second reading and see what happens after that.

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, the Hon. Member for York East (Mr. Collenette) has succeeded. Certainly he is not correct when he suggests that we on this side of the House are not interested in senior citizens. I dare say that most senior citizens of the country vote for this Party. I assure the Hon. Member that, to my knowledge every Member on this side of the House is or should be vitally concerned with the interests of all people who will be affected by the Hon. Member's Bill.

The wording of the Hon. Member's Bill, to which obviously we, or at least I, can only agree, would remove the concept of "old age" from senior citizens' benefits. I am sorry to say that I did not hear the Member's speech, but I hope that he pointed out that there are, I believe, approximately 500,000 single women in Canada who are over the age of 65 and have incomes under $5,000 a year. I hope he mentioned that people like this of both sexes are always the last to complain and the last to be heard and, it seems to me, the last to be paid any attention to.

I would think, Mr. Speaker, that these people would look askance at things like the $200,000 that taxpayers are coughing up in order to send Mr. Ed Clark and his family to Paris for an 18-month study leave courtesy of the Canadian taxpayer. In the same vein, what about the 104 people who sit in the other place of which, I am told, only about 15 or 20 do any real work? They receive an income of perhaps $55,000 or $60,000 a year and expenses until the age of 75, or for life if appointed prior to 1974. What about the $1.4 billion that may have been thrown away on Canadair? I am sure that senior citizens wonder where our priorities are when we put money into selling—what is the total now?—75 luxury executive Challenger jets. Whatever the total, it is pathetic.

I am reminded of my wife's two aunts who taught school in northern Alberta for 35 years. During the Depression they received $300 a year. One $300 cheque arrived a year, and at that time everyone in the neighbourhood descended upon them to seek a loan.

There are hundreds of thousands of senior citizens who are suffering economically because of a Government-created inflation, Mr. Speaker, because the monetary and fiscal policies which those opposite, including the Member for York East, know as surely as they know the sun will rise tomorrow would diminish the purchasing power of all Canadians and, most particularly, senior citizens who generally have the fewest dollars to spend.

It cannot be said often enough that the policy of running up a deficit which this year is $30 billion and then having the Bank of Canada finance a good chunk of that, whether it be $10 billion or $12 billion, by printing newly minted $10 or $20 or $100 bills, is one of the prime causes of inflation. This is a deliberate policy. It is a policy that has been in place in Canada for many years now. In my view, it is the reason our inflation rate has been has high as it has. It is something that I believe the senior citizens of Canada will never forgive the Government for. It is a cold-blooded policy of weakening the position of senior citizens in Canada.

I believe, Mr. Speaker, that if everyone in Canada had taken a course in economics and monetary or fiscal policy, there would not be a Liberal MP left anywhere in the country. But

Liberal Members, Mr. Speaker, know that most people do not understand how inflation is created by federal Government policy. I suspect Liberal Members know that most senior citizens do not believe that anyone could be so cynical as to inflate the currency in order to try to pay for deficits. The tragedy is that the Government has done this for too long, and in my view that is why most senior citizens will vote against the Government. Increasing numbers of them are aware of what is happening to their purchasing power.

Two out of three people in the country over the age of 65 are at or near the poverty line. I believe that figure is correct. I could go on, but I believe that everyone in the Chamber today knows about the lamentable situation of pensioners. Surely everyone here today would favour passage of the Bill. I do not know which Hon. Member on the Government side has been given the dirty task of talking the Bill out but I gather that will take another 15 or 20 minutes. I assume that whichever Hon. Member opposite gets up to speak when I finish is the one who has been asked to talk the Bill out while smothering it to death with kind sentiments.

• (1600)

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, regardless of the remarks we just heard from the Hon. Member for Edmonton-Strathcona (Mr. Kilgour), I am very pleased to address a few remarks to Bill C-663, introduced by my colleague, the Hon. Member for York East (Mr. Collenette). For the record, Mr. Speaker, I should like to state that I have not been assigned any "dirty task" in talking the Bill out. I am sure that many Members in the Chamber would welcome the opportunity to give their views on the Bill.

I think it is rather interesting that the Hon. Member for Edmonton-Strathcona was embarrassed into making remarks on behalf of the Loyal Opposition. Just a few minutes ago he stood to ask that we move to the next item of business. Obviously at that time he had no care or concern about matters relating to senior citizens. When the Hon. Member for York East rose on a point of order, then the Hon. Member for Edmonton-Strathcona felt his neck and had to say a few words regarding the plight of senior citizens and recipients of the old age pension. In a very partisan way he attacked the concerns that all of us have regarding Parliament and the Government of the day. I think we must take his remarks lightly as obviously he has very little concern and care for this particular Bill.

This Bill proposes to change the name of the Old Age Security Act to the "Senior Citizens Benefits Act". The basis given for this proposal is the contention that the words "old age" imply that at age 65 a person is no longer capable of leading a productive life or making a valuable contribution to society. Certainly the name "Old Age Security Program" was never intended to carry such a negative connotation.

The current Old Age Security pension—one of three benefits provided under the Old Age Security Act—is paid to everyone at age 65 who meets the necessary residence requirements in Canada. Eligibility for this pension is not dependent on labour force participation. You neither have to participate in the paid labour force prior to age 65, nor do you have to leave the labour force after age 65.

Persons 65 years of age and older are definitely not considered incapable of leading a productive life or making a valuable contribution to society. However, it is felt that these persons, in recognition of the number of years they have spent making Canada a better place in which to live, should have the right, if they so choose, to take life more easily, retire from the labour force, or pursue other interests and hobbies. To do this they must have an assured source of basic income and that is exactly what the Old Age Security Program is designed for.

Therefore, since the intent of the Old Age Security Program is to reward older individuals for past services to Canada and not to pay off individuals at age 65 because we do not believe they are capable of being valuable members of our society, I am sure Hon. Members will agree that the program title should not be viewed in a negative way.

If it is decided to change the name of the Old Age Security Program, however, surely it is important to choose a name that improves the current title. Care must be taken to ensure that any new name has none of the negative connotations this Private Member's Bill attributes to the phrase "old age". At the same time there are some very positive aspects of the current title that must be maintained.

In Canada, the phrase "old age" has been part of the title of income support programs for older Canadians for more than 55 years, since the introduction of the Old Age Pensions Act in 1927. The almost perfect take-up rate for the Old Age Security pension signifies that people readily identify with this federal program; they know what the program is, what it provides, and where to apply.

It is important that any new program name be acceptable to pensioners and that it identify the program as well as the current name. Clearly this is a difficult task since "old age pension" is a term with widely understood :meaning. In fact, these terms have become an integral part of Canadians' pension vocabulary. Regardless of any new names we might want to attach to it, I venture to guess that most people would continue to think of it simply as their old age pension. As well, it is possible that a change in the Old Age Seucrity Program name might cause confusion among pensioners who have grown accustomed to receiving the monthly Old Age Security pension. We would have to ensure that every effort be made to make the transition as easy and as understandable as possible.

While it is not essential that any new title give more than a general understanding of the nature of the program, it is assumed that a title which gives a more accurate description of the program objectives, source of the benefits, limitations, et cetera, would be more effective than a more neutral title. As well, words or phrases which could mislead the public about the nature of the program should, as much as possible, be avoided.

The title proposed in this Bill is Senior Citizens Benefits Act. While the phrase "senior citizen" has come to be widely used when referring to older individuals, it is often used to denote those persons who are retired. Since eligibility for the Old Age Security pension is not limited to retired persons over the age of 65, "senior citizen", with respect, could be misleading. As well, the number of years of residence in Canada are used to determine who over age 65 is eligible for the pension. The word "citizen" might tend to give the false impression that an individual has to be a Canadian citizen and not just have been resident in Canada. I also want to point out that there are individuals who have stated that they consider the term "senior citizen" to be as objectionable as the term "old age".

Thus, while it may be considered desirable to change the name of the Old Age Security Program, I do not believe that Senior Citizens Benefits Act would be an appropriate choice.

What, then, would be an acceptable title? How would we find out what individuals want? When should this change take place? Of those questions, I consider the "when" to be the most important. I know that with the necessary consultation and research, an appropriate new title could be found for the Old Age Security Act. Nevertheless, we must face the fact that changing the name of the Old Age Security Program is not going to be an inexpensive procedure. There is, of course, the cost associated with finding a new name, whether it be through a general survey of our current pensioners or through some other vehicle such as the Gallup poll. However, the greatest proportion of the expense would come after the fact. An extensive advertising campaign would be required in order to minimize the confusion and concern that a name change could be expected to cause. In addition, new application forms, program information booklets, ID cards, stationery and building signage would be required.

Is our current economic situation conducive to such a change? The current economic restraint program has, as with all Canadians, had its effect on our pensioner population. This session of Parliament has seen the adoption of Bill C-131(2), which amended the Old Age Security Act. Through passage of this piece of legislation we asked all Old Age Security pensioners who could afford to do so to accept limits on the amount of indexation they would receive on their basic Old Age Security pension in 1983 and 1984. I must say, Mr. Speaker, that they accepted that challenge with a great deal of grace and have worked along those lines. While inflation has been substantially reduced and the effects of the limited indexation are minimal thus far, the program will stay in effect until the end of December, 1984.

• (1610)

In addition, the Hon. Member for Sarnia-Lambton (Mr. Cullen) in his remarks mentioned the green paper on pension reform. As stated in that green paper, improving the financial situation of low-income, single pensioners is an urgent and pressing necessity. This vulnerable group of Canadians is not yet guaranteed an adequate income with which to make ends meet, and must be assisted as soon as financial resources permit.

Therefore, even if we all agree that changing the name of the Old Age Security Program is a desirable step, I think we must carefully consider where it lies in our list of social priorities. I firmly believe, Mr. Speaker, that the people of this country understand and recognize the difficult situation facing many of their compatriots, whether it be the young, the unemployed or older, retired members of our society. I feel certain they would want us to expend our efforts and resources to ensure these groups receive the financial assistance they require.

While I congratulate the Hon. Member for York East on bringing this matter to our attention—it has given him the opportunity, of course, to express his views and concerns for our senior citizens and retired people—I think that at this particular time we should not consider undertaking expensive initiatives such as those suggested in this Bill.

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am very pleased to have this opportunity to speak in debate on Bill C-663 put forth by my colleague, the Hon. Member for York East (Mr. Collenette). This Bill seeks to change the name of the Old Age Security Act to the Senior Citizens' Benefit Act. In principle, I have no quarrel with the consideration of a new name for the Old Age Security Act if in fact it could be demonstrated that most pensioners find it offensive. I cannot agree, however, with the implied rationale that somehow the name "Old Age Security" means that people over the age of 65 are no longer capable of leading productive lives and making valuable contributions to society. In fact, Mr. Speaker, many Hon. Members in this House are living proof that people over age 65 can and do make valuable contributions to society. Their constituents clearly agree and history abounds with tremendous achievements by people well past the age of 65.

I do not need to remind Hon. Members that Sir Winston Churchill did not come to full—

Mr. Lewis: A point of order, Mr. Speaker.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Lewis: Mr. Speaker, I apologize to the Hon. Member for interrupting him but I wish to ask a question concerning the business of the House which will give us an opportunity to put the notice out to all the offices.

Can the Government House Leader give us some idea as to the business for next week?

Mr. Pinard: Mr. Speaker, I apologize to the Hon. Member for the interruption. We usually deal with this kind of matter at three o'clock on Thursday, but because of ongoing negotiations today we had to delay for a little while. But I think it

important that we put on the record to try and be as clear as possible the order of business for next week.

First, I would like to deal with an order that we have agreed upon related to the motion standing on the Order Paper in the name of the Minister of Justice (Mr. MacGuigan) relating to some amendments of the Constitution concerning aboriginal rights. Therefore I move, seconded by the Hon. Member for Simcoe North (Mr. Lewis):

That the Government Notice of Motion standing in the name of the Minister of Justice be now transferred for consideration under Government Orders at the next sitting of the House;

That the said motion shall be the first item to be considered under Government Orders on Monday, June 27, 1983;

That at 1 p.m. on Monday, June 27, 1983 the debate shall be suspended and the motion shall be deemed to have been referred to the Standing Committee on Indian Affairs and Northern Development;

That at 4 p.m. on Wednesday, June 29, 1983, the committee shall be deemed to have reported the motion and consideration of the motion shall be resumed; and

That no later than 5.45 p.m. on Wednesday, June 29, 1983, the Speaker shall interrupt any proceedings then before the House and shall put forthwith and successively any question or questions necessary for the disposal of the said motion.

The Acting Speaker (Mr. Blaker): Is there unanimous consent for the motion?

Some Hon. Members: Agreed.

Motion agreed to.

[*Translation*]

Mr. Pinard: Yes, of course, Mr. Speaker. To determine the order of business for next week, perhaps we should know what is going to happen to the motion standing in the name of the Minister of Justice (Mr. MacGuigan). Now that we do know, I would like to confirm, first of all, that Monday morning, from 11 to 1 o'clock, in accordance with the order that has just been agreed to, we shall debate the motion on native rights to amend the Canadian Constitution. Monday afternoon, at 3 o'clock or as soon as we get to the orders of the day, after oral question period, the first item will be Bill C-165 on regional industrial development. I can confirm that the House Leaders have agreed to have one speaker per party, and that after second reading, without a recorded vote, the Bill is to be referred to committee, for study. Subsequently, we shall resume debate on the report stage of Bill C-95 on sports pools. If we complete the report stage and do not obtain the consent of the House for adopting the Bill on third reading, and there is still time on Monday, we shall resume debate on Bill C-152 on Government reorganization. Tuesday, from 11 until 1 o'clock, we shall proceed with consideration of Bill C-163, an Act to establish the Canadian Aviation Safety Board. Here again, we have an agreement at the House Leaders level to have the Bill referred to committee by 1 o'clock on Tuesday, after second reading. At 3 o'clock or after oral question period on Tuesday, we shall resume debate, if necessary, on Bill C-95 relating to sports pools, followed by Bill C-152 on Government reorganization and Bill C-159, the judges bill. I can inform the House that there has been some discussion, and that Bill C-159 may be split so that we shall be considering two Bills instead of one Bill C-159. That is a possibility, and more details will be given later, as appropriate. However, for the purposes of announcing the business of the House, I am referring to Bill C-159, because this particular Bill is well known and one of its purposes is to increase the number of judges in Canada.

Wednesday, from 11 to 1 o'clock, and from 3 to 4 o'clock, we shall first consider the report stage and third reading of Bill C-163 on aviation safety, which will have been referred to committee the day before. Subsequently, we shall consider the report stage and third reading of Bill C-165, on regional industrial development.

At 4 o'clock, we shall have an order to complete debate on the motion on native rights, and at 4:45, as soon as the motion has been disposed of, we shall resume debate, if necessary, on Bill C-95, the sports pools; Bill C-152, Government reorganization; and Bill C-159, Bill S-24 and Bill C-119, in that order. Basically, this is our schedule, and as I said earlier, agreements have been reached on some points by the House Leaders. As far as other aspects are concerned, we shall have to see how the debate evolves to find out whether it will be necessary to change the order of business. We shall be monitoring this process daily in fact, almost hourly starting Monday afternoon.

• (1620)

[*English*]

Mr. Lewis: Mr. Speaker, I would like to address two items, if I may. I am sure that one just involves a translation problem. On the translation system, it was mentioned as being Bill C-75; I am sure the Government House Leader said Bill C-95.

Mr. Pinard: Right.

Mr. Lewis: Fine. The other matter would be that we have agreed to split what is referred to as Bill C-159, the judges' Bill. I am not exactly sure how this is done, but if we were able to have that split, physically, on Monday, it would facilitate the debate on Wednesday or whenever it does come up for debate; I guess it is Tuesday. If it were to be split during Routine Proceedings on Tuesday or on Monday, it would certainly facilitate debate and my discussions with my people on Tuesday.

Mr. Deans: Mr. Speaker, I would like some clarification, just in case it is misunderstood later. The reference was that we would deal with Bill C-163 on Tuesday morning and that it would be referred by 1 p.m.?

Mr. Pinard: Yes.

Mr. Lewis: Yes.

Mr. Deans: I just want to be clear that that is subject, of course, to there being at least one speaker for each Party.

Mr. Pinard: Sure.

Mr. Deans: I do not want to get into a hassle later if it turned out that we were not recognized.

Mr. Pinard: Agreed.

Mr. Lewis: Yes, no problem.

[*Translation*]

The Acting Speaker (Mr. Blaker): The House has heard the proposals made by the Hon. President of the Privy Council (Mr. Pinard).

[*English*]

In addition to the comments which appeared to be additional considerations by the Hon. Member for Simcoe North—and it is not possible for the Chair to repeat all the details—I simply bring before the House the question as to whether there is unanimous consent for the proposals made by the President of the Privy Council—

Mr. Lewis: No, no.

The Acting Speaker (Mr. Blaker): —and the Hon. Member for Simcoe North for the purpose of doing business next week.

Mr. Pinard: Mr. Speaker, I am sorry. I was not seeking unanimous consent for the order of business for next week. I just indicated that we had understandings. I am pretty sure that my colleagues will live, as usual, by their commitments on certain points. On others, there is no firm commitment and we will see how the situation evolves. The only firm order has been dealt with earlier today.

Since I am on my feet, my I remind my colleagues that next Thursday we will be dealing, as usual, following a House order last week, with Private Member's Business.

Mr. Lewis: Agreed.

The Acting Speaker (Mr. Blaker): I understand. I apologize to the House. I had become confused because some of the propositions involved certain unspecific hours, and I thought that unanimous consent was perhaps required.

The House will now revert to Private Members' Business. With the permission of the Hon. Member for Guelph (Mr. Schroder), who had the floor, I will recognize instead the Hon. Member for Winnipeg North Centre (Mr. Knowles).

* * *

OLD AGE SECURITY ACT

AMENDMENT TO CHANGE NAME OF ACT

The House resumed consideration of the motion of Mr. Collenette that Bill C-663, to amend the Old Age Security Act, be read the second time and referred to the Standing Committee on Heath, Welfare and Social Affairs.

Hon. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am pleased to say a few words on this Bill this afternoon. I am prepared to confess my agreement to a number of suggestions that have been made, but there is one complaint about which I feel very strongly, and I dare to hope the change is being made. If I could be told that it is being made, that would be fine; but let me indicate my complaint in any case.

I refer to the fact that as the law now stands, a woman between ages 60 and 65 can receive a pension payment provided she is married to someone who is 65 and over who is receipt of the pension. That also applies to a person who may have been married for part of that time between ages 60 and 65 and the husband has died. However, in the case of persons who are single and between the ages of 60 and 65, there is no such provision.

I think it is one of the most unfair situations which has existed for some time now, for single women in particular. One could say that it applies both ways, to single men and single women, but there are so many more single women than single men that one can see that it is really women who are affected.

My hope is that the changes which are now being proposed in the pension legislation will cover the situation. If not, I urge that any further change to the Old Age Security Act should make that provision so that a single person between ages 60 and 65 should receive the consideration to which he or she is entitled, whether single or married. That other unfairness was wrong; I hope it is being corrected.

Mr. Deans: Well said.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): I think that with the consent of the House, I would indicate that this Private Member's Hour has now been completed. Pursuant to Standing Order 24(2), I would interrupt the proceedings. Unless, of course, there is an Hon. Member who particularly wants to address the issue; I believe there are perhaps two or three minutes remaining.

Accordingly the Chair will recognize the Hon. Member for Restigouche.

Mr. Maurice Harquail (Restigouche): Mr. Speaker, it will just take the one or two minutes remaining to make a point that I had made a few years ago concerning adequate protection for seniors. Of course, I want to joint other Hon. Members in congratulating the Hon. Member for York East (Mr. Collenette) for bringing forward this important subject today.

Some years ago I introduced a proposal to give some relief to our seniors and those who have no other visible means of support or ability to earn income in excess of $15,000 per year, or a round figure of $12,000 per year. I suggested that they not be forced or called upon to pay income tax; nor should they

have to bear the burden of filing income tax returns. Therefore, when we are speaking of pensions and our concern for seniors in Canada, I feel it is undue and unnecessary for men and women who have attained their retirement years to carry this extra burden of filing income tax forms.

Through this opportunity to intervene this afternoon, I hope I can focus the Government's attention once again on my proposal made a few years ago that there be a system to identify these men and women who have attained the age of retirement so that they are not forced or called upon to file these forms. For some of them, it would be a burden to pay the cost of assistance in completing these forms when, indeed, their incomes are fixed at, say, $12,000 per year or $1,000 per month. They are obviously not in the position to carry the burden of these extra costs, and it is a hardship. The Government should consider that in a civilized society this is an assistance that we could very well provide to these people in a true liberal sense.

I do thank the Hon. Member for York East for showing his concern for seniors and his understanding of what a civilized society should do in protecting our elderly, our seniors. I feel that the content of the Bill is very worth while. I do hope that by once again focusing on the matter this afternoon, the appropriate Ministers, the Minister of National Health and Welfare (Miss Bégin) and the Minister of National Revenue (Mr. Bussières), will consider my proposal to find some ways and means of eliminating, for the benefit of men and women who are in this stage of retirement in life, the unnecessary burden of filing income tax forms.

• (1630)

The Acting Speaker (Mr. Blaker): Pursuant to Standing Order 24, it is my duty to interrupt the proceedings. Shall all items under Private Members' Notices of Motions preceding Item No. 94 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

PRIVATE MEMBERS NOTICES OF MOTIONS

[*Translation*]

CANADA EVIDENCE ACT

ADVISABILITY OF IMPLEMENTING RECOMMENDATIONS OF THE McDONALD COMMISSION

Mr. Claude-André Lachance (Rosemont) moved:

That, in the opinion of this House, the Government should consider the advisability of amending the Canada Evidence Act to implement the recommendations of the McDonald Commission concerning the admissibility of illegally-obtained evidence, specifically that:

(1) Evidence shall be excluded if it was obtained under such circumstances that its use in the proceedings would tend to bring the administration of justice into disrepute.

(2) In determining whether evidence should be excluded under this previous section, all the circumstances surrounding the proceedings and the manner in which the evidence was obtained shall be considered, including:

(*a*) the extent to which human dignity and social values were breached in obtaining the evidence;

(*b*) whether any harm was inflicted on the accused or others;

(*c*) whether any improper or illegal act under (*a*) or (*b*) was done wilfully or in a manner that demonstrated an inexcusable ignorance of the law;

(*d*) the seriousness of any breach of the law in obtaining the evidence as compared with the seriousness of the offence with which the accused is charged;

(*e*) whether there were circumstances justifying the action, such as a situation of urgency requiring action to prevent the destruction or loss of evidence.

He said: Mr. Speaker, I am grateful to the House for this opportunity to discuss my motion this afternoon.

In Canada, the manner in which evidence is obtained has no effect on its admissibility. This simple fact has been the subject of endless comment, debate and controversy, and this afternoon, I shall try to convince my colleagues of the advisability of amending the Canada Evidence Act to include a discretionary clause that will allow judges, in specific circumstances, to exclude evidence obtained in an improper manner.

According to the traditional concept of Common Law, evidence plays a strictly utilitarian role. Since the purpose of a criminal trial is basically to dispense justice, any evidence that is relevant, and not otherwise excluded by the rules of court proceedings, must be considered admissible by the judge, who is not concerned with the manner in which the evidence was obtained, since Common Law provides for recourse before the courts against any impropriety committed in obtaining the evidence. This is due to the fact that in criminal proceedings, the courts are obliged to provide certain procedural guarantees, while the actual investigation is not subject to the same guarantees, since the purpose of the investigation is to identify a suspect, and the purpose of court proceedings is to judge whether the suspect is or is not guilty under the law.

Yet, it cannot be denied that the proceedings and the investigation converge when the evidence is submitted. That is why some people claim either that the proceedings have priority over the investigation, which can eventually result in an exclusionary rule such as exists in the United States when the police force disregards the constitutional rights of the suspect during the investigation, or that legal ethics go beyond the proceedings to include every aspect of criminal proceedings, particularly the investigation.

That is why there are three models for the admissibility of evidence obtained by illegal means: 1) admissibility regardless of the manner in which the evidence was obtained, which is the case in Canada following the ruling in the Wray case in 1970, as well as in England, with some amendments, with regard to the law of admissions; 2) the exclusionary rule, which replaces

the truth as the pre-eminent purpose of the proceedings by another concept, namely the protection of the constitutional rights of the accused, because of which evidence obtained by illegal means must be excluded; and 3) a discretionary system which allows the judge in certain cases to reject that evidence when admitting it would be either unfair to the accused, when it is of such a nature as to bring the administration of justice into disrepute, or because of some other reason which may be recognized occasionally under various jurisdictions.

The common law of Scotland, Ireland, Australia and New Zealand follows the discretionary model. In Canada, the situation is quite complex. First, the general rule, which I mentioned earlier, stating that evidence obtained by illegal means is admissible was set by the Supreme Court in 1970 and the law has since remained unchanged, but this concept is certainly not unanimously accepted since, in the Ontario Appeals Court, Mr. Justice Aylesworth suggested a formula which has gained widespread acceptance, namely that the inherent discretion of a judge to ensure the accused of a fair trial extended to the exclusion of evidence, even though relevant, obtained by illegal means when its use would tend to bring the administration of justice into disrepute. This is an entirely new concept to be found nowhere else, at least under this form, in judicial precedents. While this concept was rejected by the Supreme Court, as I mentioned earlier, it was accepted by Mr. Justice Spence, who even went further when he said that such discretion should go against the Crown. Since then, various commissions have recommended that the Canadian Evidence Act include the concept of discretion to exclude evidence obtained by illegal means, and excepting the recommendations of the Ouimet Commission in 1968 which predate the Wray ruling, these recommendations include those of the Law Reform Commission, the Ontario Law Reform Commission, and finally, the Commission of Inquiry concerning certain activities of the Royal Canadian Mounted Police, better known as the McDonald Commission, which are found in the motion now under consideration. I was saying that the situation was rather complex in Canada and this is because, irrespective of that general rule, Canadian law provides for a certain number of exceptions. First there is an exception proceeding from the Common Law concerning the admissibility of confessions made by the accused out of court. This House is aware of the general rule under which a non-voluntary statement made by the accused to an authorized official will not be accepted as evidence at the trial because the court has no means to guarantee the truthfulness of such statement. Indeed, another legal principle is that the accused cannot be coerced during the trial. Since the accused cannot be compelled to appear, the court cannot legally check the consistency between the non-voluntary previous statement and the testimony given at the trial.

• (1640)

A dissent that attracted considerable attention in the Rothman judgment, that of Justice Lamer who indicated that beyond the voluntary aspect, he recognized an additional discretion of the judge sitting on the case to dismiss a confession even when made voluntarily when the conditions under which such a confession is made to an authorized person is tantamount to non-compliance with the principle that an accused cannot be coerced and, consequently, the administration of justice is brought into disrepute. In short, Justice Lamer was going back to the administration of justice and to the obligation for a judge to see that the whole judiciary process, not only during the proceedings but also during the investigation, operates in accordance with the minimum standards of good conduct and he extended the concept initially introduced by Justice Aylesworth to the law on confessions. That is not truly a dissent because in his charge he does not agree with the legislation now in effect but he gets the same results as the judges of the majority. However the model that he proposes is surely not part of our law. Nevertheless, it is interesting to note that the same formula recurs periodically.

Section 178.16 (2) as passed by the House in 1977 goes back to the same formula by allowing the juge sitting on the case to rule out the evidence originating from an illegal interception of private communications. In other words, where there has been illegal electronic eavesdropping and the derived evidence has been adduced, the trial judge may decide to exclude such evidence if he is satisfied that its use would tend to bring the administration of justice into disrepute. This is the same formula that is found in our statutes, in the Criminal Code. Unfortunately, there is no higher jurisprudence by which we could define the exact scope of that exception to the general rule as to the acceptability of improperly obtained evidence, which brings us to Section 24(2) of the Charter of Rights. Section 24(2) also allows a trial judge to exclude evidence obtained against or in spite of the rights recognized in the Charter and therefore enshrined, where its use would tend to bring the administration of justice into disrepute. Therefore, parallel with the general rule under which evidence may be used however obtained, here are two statutes, one of which is part of our Constitution, which introduce a quite different concept, and I am reluctant to refer to an "exception" where a concept is constitutionally enshrined. It is somewhat odd that one should suggest that this is an exception to the general rule, where the discretionary ideal takes its place and becomes part of our law.

The exclusion of evidence is justified for various considerations. First, deterrence, as this is the main reason that is generally put forward, deterrence of repugnant police practices. Under that principle, there is a specific or general standard of conduct that is either left to or imposed upon the trial judge so that he may decide where applicable to penalize

any abuse committed during the inquest, and through this procedural rule, namely the exclusion of evidence that could otherwise be acceptable.

This is the principle behind the American exclusion rule, known in English as the rule of the *Fruit of the poisonous tree.*. On the other hand, it is through an extension of the principle of the fair trial that other authorities justify the discretion to exclude improperly obtained evidence. Indeed, it is the judge's responsibility to make sure that the accused is given a fair trial. In Common Law, this was expressed by a rigid interpretation of procedural trial guarantees, although there was no intention to extend those guarantees to the inquest. For others, such as the Privy Council or more specifically the Judiciary Committee of the Privy Council, in the Sang Order of 1980, the fair trial principle was extended to documentary evidence obtained from the accused against his will, before the trial.

That is indeed an extension of justice in British trials which we Canadians do not enjoy yet. Although we might pass legislation, I do not believe we would be well advised to do so. If I may, I should like to urge Canadian judges, particularly in light of the Charter, to be more liberal in their interpretation of our principles concerning the right to confess so as to enshrine that additional element of justice which the judiciary committee of the Privy Council has acknowledged in the Sang decision.

Finally, and this relates directly to the text of the motion, an ethical conception of the role of the court in the judiciary process enables me to draw a parallel between the judiciary integrity on one hand—which does not leave any doubt—and the integrity of justice on the other—which is indeed more extensive than judiciary integrity per se.

If one endorses the principle that judiciary integrity cannot exist without the integrity of justice and the standards of behaviour which law enforcement agents must respect, one has to admit as well that a trial judge cannot be party to unacceptable investigation practices by disregarding altogether the manner in which the otherwise relevant evidence before him has been obtained. That is why the wording used in section 178.16(2) concerning wiretapping—a reprehensible activity which is strictly regulated by the Parliament of Canada and punishable by extremely severe penal and civil sanctions—and section 24(2) of the Charter of Rights, which provides for redress in cases of violations against constitutionally acknowledged or constitutionnally enshrined rights, are, in my opinion, the best answer to the double dilemma of the acceptance of a rule of admissibility so strict that it does not allow sanctioning or rather disassociating oneself from unacceptable investigation practices, on one hand, and, on the other, a rule of exclusion which is unduly restrictive, as a magistrate said in the United States: The constable blunders, the criminal goes free. And this is a delicate balancing act between opposing facets of public interest, the need to administer justice on the one hand, and the need for law enforcement agencies to use reasonable and democratically acceptable means. It is only through discretionary powers that we can achieve this.

But there is a problem, Mr. Speaker. Neither Section 178.16(2) nor Section 24(2) of the Canadian Charter of Rights and Freedoms provide a discretionary code defining the various considerations which a presiding judge should assess while carrying out his or her duties. Such a judge is instructed to dismiss all illegally-obtained evidence which might otherwise bring the administration of justice into disrepute, but he or she has no indication as to how, when, and on the basis of what criteria these discretionary powers are to be used. That is why I move that the Canada Evidence Act be amended to include a discretionary code.

I drafted my bill in line with the recommendations of the McDonald Commission. I could have drafted it in line with those of the Law Reform Commission of Canada. I could have proposed the discretionary code adopted by the Common Law of Scotland, or the one adopted by the Australian Common Law. That is not the problem.

The problem is that judges, who by now have given an interpretation of Section 24(2) of the Canadian Charter of Rights and Freedom, do not possess the means required in order to exercise this discretion according to well defined parameters and reference marks.

I suggest it would be appropriate for us to assist the judges in carrying out this responsibility they have of eventually rejecting, in some cases, the evidence improperly obtained, and I believe that to this end, we should adopt a discretionary code which would provide these reference marks. I refer my colleagues to the text of the motion enumerating some of these considerations. Unfortunately, I do not have the time to elaborate at length on each of these points today.

I would simply like to stress one thing, Mr. Speaker. This debate is far from over. Even after Section 24(2) of the Canadian Charter of Rights and Freedoms has recognized this judicial discretionary power to reject evidence improperly obtained, the proposals contained in Bill S-33, presently before the Senate, take up once again the criteria formulated in the Wray decision. Incidentally, Mr. Speaker, and I will conclude my remarks with this, the Wray decision recognizes a certain amount of discretionary power to reject relevant evidence, when the effect is unduly detrimental to the accused because of its extenuated probative value. Clause 24(2) of Bill S-33 takes up textually the concept enunciated in the Wray decision. Thus, we have looped the loop. First, there is the Wray case; then 178.16(2) recognizes the discretion; Section 24(2) recognizes the discretion; and then, in Bill S-33, the new evidence code presently before Parliament, such discretion is not recognized any more.

I submit to my colleagues that it is high time we resolve this dilemma. We must recognize once and for all the judiciary discretion to reject evidence improperly obtained, when its admission would bring into disrepute the administration of

justice. And we must give the judges a discretionary code in order to give them guidance in this role.

• (1650)

[*English*]

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, I salute the Hon. Member for Rosemont (Mr. Lachance) for his most thoughtful address. In fairness I could add that he has done his thesis on the subject. He was kind enough to show me a copy of it. It has 60 pages of footnotes and many more pages of text. I indicate this in self-defence because he had many months in which to prepare and I have had less than an hour in which to prepare myself. It is not his fault; it is just that in the workings of things there has been little time to do an adequate job on a very serious subject.

The motion of the Hon. Member referred to the McDonald Commission and indicated in part:

> Evidence shall be excluded if it was obtained under such circumstances that its use in the proceedings would tend to bring the administration of justice into disrepute.

He went on to indicate that in determining whether evidence should be excluded, the manner in which it was obtained should be considered, for example, including:

> (a) The extent to which human dignity and social values were breached in obtaining the evidence;

Since we already have Section 24(2) of the Charter of Rights and Freedoms, why do we need to go further and further rigidify what is already there? In part Section 24(2) reads:

> Where ... 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.

I think my concern is shared by the Hon. Member for Rosemont. Hopefully, all of us in the House agree that we do not want a situation where any evidence, no matter how heinously obtained, should be admitted into evidence. I do not think anyone wants a situation where any evidence, no matter how small the indiscretion used to obtain it, should not be admissible in evidence.

Those Members of the House who voted for the Charter of Rights and Freedoms wanted a middle ground. We did not want the absolute ban which exists in the United States. I will deal with that in a minute because it is the cause of many of the serious crime problems in the United States. Conversely, we did not want the current Canadian situation where basically if the only evidence obtainable is illegally or improperly obtained, it is admissible in the search for truth. My hon. friend referred to the *Regina v. Wray* case, but there have been many others.

I would like to give an example by referring to a case in the United States which will show how the other system can cause many problems. I am informed that in a drug trafficking case in New York city a warrant specified that the customs officers could look in someone's suitcase, but it did not specify that they could look for heroin. It specified other things but not heroin. They opened the suitcase and found a large quantity of heroin and charged the person with importing that drug. When the case got to trial, the judge looked at the warrant and said that it did not specify heroin, and the case was dismissed. Whereas, in our system, at least up until the Charter of Rights and Freedoms, that person would have been convicted on the basis that although the evidence may have been improperly obtained, ours is a search for truth. There are remedies to go after the customs officers, but we would not see someone walking away from a charge of murder or trafficking in heroin because of the manner in which evidence was obtained. The accused can charge the police or customs officers. They should be disciplined or whatever, but the matter should stand.

Some very eloquent statements on the issue have been made by different people. I would like to quote one or two statements which appeared in the Ottawa Law Review under the article entitled, "The Admissibility of Evidence Obtained Illegally: A Comparative Analysis". The first one was by Mr. Justice Holmes, perhaps the most famous jurist of all, who said:

> We have to choose, and for my part I think it a less evil that some criminals should escape than that the Government should play an ignoble part.

I think the Hon. Member for Rosemont referred to the other side of the issue in Britain, the other extreme, by indicating that "It matters not how you get the evidence; if you steal it even, it would be admissible". Another interesting quotation would be the one of Chief Justice Warren Burger of the United States Supreme Court who said in a recent case:

> We can well ponder whether any community is entitled to call itself an "organized society" if it can find no way to solve the problem except by suppression of truth in the search for truth.

• (1700)

That was put pretty well in an article. Chief Justice Burger talked about the "reign of terror in American cities". This was about seven years ago. He asked, "Is a society redeemed if it provides massive safeguards for accused persons yet fails to provide elementary protection for decent law-abiding citizens?"

United States Appeal Court Judge Henry Friendly asked whether "guilt is not relevant". The late Justice Robert Jackson of the United States Supreme Court reminded us "that the Constitution was not intended to be a suicide pact". The same article points out that, according to a recent poll in the United States, one in three households reported to a crime survey that they exprienced some sort of crime during 1980.

Some say that the crime rate is less in Canada than in the United States. Many people believe that to be the case. I am not sure whether that is true any longer. A Gallup poll in 1982 indicated that one in four Canadians had been a victim of crime in the previous 12 months. According to the most recent crime survey by Statistics Canada, 2.8 million Criminal Code offences were reported in Canada during the calendar year 1981. Members are aware that many crimes are not reported. No one would dispute that the figure was probably much higher for 1981.

What does all this amount to? What I am trying to say is that there are two very real social interests: one is fighting crime, and the other is having the police act within the law. I have spent a number of years in court. I believe that nobody should be above the law, including the police and the Prime Minister. The law has to apply to everybody. One must ask oneself, and I am thinking primarily in the area of drugs because this is where most crime seems to occur, what can be done.

In a recent speech in Victoria by Superintendent Thomas Gardiner of the RCMP, he was quoted as saying that a cocaine charge against an accused was dropped after an officer was unable to prove reasonable cause for a search, even though the drug was found in the search.

How far do we want to go with these rights? What do we have to do to protect the rest of us who are law abiding? That is the issue. Hardened professional career criminals know that the law is there for their protection. They know that if the warrant does not say there was heroin in the suitcase of Mr. X, he will get off scot-free. If that is the case, the crime rate in Canada will very quickly become higher than in the United States.

It is not written into the United States Constitution that improperly obtained evidence should be excluded. In the case of the *people v. Mapp* it was held during the mid-sixties that the right against the use of illegally secured evidence was so fundamental as to be included in the due process required by the fourteenth amendment, and thus to be binding upon the state. That is what all this leads to, and I hope the Hon. Member for Rosemont agrees. I am afraid that the Supreme Court of Canada will take Section 24 of the Charter of Rights and Freedoms and resolutions such as this, if they are passed—and I have knowledge of some members of that court—and will say that next year, the year after or three years from now all improperly obtained evidence will be excluded. In other words, for reasons in which they believe, they will go beyond what the Hon. Member for Rosemont is asking and go to the rule that any illegally obtained evidence is inadmissible in any court in the land. That is how their counterparts operate under a charter of rights in the United States. I am afraid that we will be in the same position as is the neighbouring republic where criminals have a field day. I do not know whether you, Mr. Speaker, have ever attended a criminal case in the United States. I have, and I suspect the Hon. Member for Rosemont has as well. The system has reached the point where one wonders whether guilt or innocence is even relevant. You wonder whether safety of the public or reasonable protection of people's rights to liberty, life and protection from being mugged or raped is important.

One question seriously being asked in the United States is whether joggers—I am a jogger—should carry money. If a mugger mugs a jogger, he becomes angry if the jogger has no money. Therefore, in some parts of the United States joggers carry money.

One may laugh and say that that will never happen in Canada. I think it is fair to say that many people in the United States believe that the exclusionary rule is one of the causes of the state of affairs whereby crime has become rampant. They have all of the rights such as liberty and pursuit of happiness, but they cannot go out at night on the streets of Detroit or many other cities. Everybody here thinks we live in a country where those rights are protected.

I believe we can go too far. The pendulum can only swing so far before your wife, my daughter and the niece of the Hon. Member for Oxford (Mr. Halliday) cannot go out on the streets at night. People say, "By George, we have our constitutional rights in this country" and, therefore, you cannot convict Mr. Wray of murder because the weapon was found in a way that some may consider improper or illegal. Are we further ahead if we swing that far with the pendulum?

The Hon. Member for Rosemont probably thinks I am exaggerating, that this will not happen and the courts will not go that far, that they will maintain the middle ground that we have in our Charter of Rights and Freedoms. I remind him that the absolute ban on illegally obtained evidence was enacted by judicial legislation in the United States. Unfortunately the Hon. Member will not have time to reply later and tell us whether he disagrees, but I am afraid that that will happen under this provision in our Charter of Rights and Freedoms. If it does, the dope addicts and drug pushers will be happy.

Before the Charter of Rights and Freedoms was tested, over $8 billion was spent on illegal drugs in Canada in 1981. This includes $2.2 billion on heroin by 2,000 users. These figures are from the RCMP. There was $475 million spent on cocaine by 225,000 users, $5 billion on marijuana hashish and liquid hashish by three million users, one-third of them teenagers.

I should stress that most of the problems arise in the area of drug pushers, professional drug traffickers. What it comes down to is that my hon. friend and I agree that there should be discretion in the courts to exclude or include improperly obtained evidence, depending on the circumstances. We might disagree on particular cases and his criteria would, I think, attempt to maintain a balance, but I am concerned that before many years have gone by, his proposals will be gone, the clearly stated wording in Section 24(2) will be gone, and we will find ourselves in a situation where all improperly obtained evidence is inadmissible in any court in Canada.

• (1710)

As crime prevention spokesman for the Official Opposition, while I am speaking as an individual, I am profoundly concerned that if that day ever comes, it will cause the crime rate to go up even higher than it already is. I am sure you are aware, Mr. Speaker, that the crime rate in Canada is already very high and getting higher with the passage of each year.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I rise to support resolution No. 94. I think that it is a very sensible, well worked out resolution. It is certainly in line with what was proposed by the Law Reform Commission. Indeed, it uses the actual wording of the recommendations of the MacDonald Commission. It is a very reasonable statement and is

an attempt to repair by legislation the very serious situation brought about by decisions made by our courts, including the Supreme Court of Canada. It follows logically from the provisions of the Charter of Rights and Freedoms and, indeed, we might see it as fleshing out those proposals. Let me read from Section 24(2) of the Charter:

(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.

This is a very sensible Canadian middle of the road solution to a problem. Its idea is not to go whole hog as in the United States where there is an exclusionary rule that everything would automatically be excluded if there was even the merest technical infraction. Incidentally, the position taken in the United States has been greatly exaggerated in debate by suggesting that many criminals go scot-free on the basis of technicalities. It has been estimated that getting rid of the exclusionary rule would increase the rate of conviction by less than 1 per cent.

The dramatic remarks made by the previous speaker about crime on the streets requiring joggers to carry money to buy off criminals are absolutely preposterous. Of course, what is in mind here is not even an exclusionary rule but, rather, exclusionary discretion, a rule which would not even go as far as does the rule in the United States.

This resolution is in line with, and indeed is better than, the Law Reform Commission's recommendations of 1974, for the Law Reform Commission argued the matter in a backward way. It would continue the admission of illegally obtained evidence if the evidence were otherwise relevant and credible, but would give the judge discretion to depart from this, the discretion to admit "evidence obtained through a serious violation of a substantive law or fundamental right if, considering the circumstances and the gravity of the charge against the accused, the violation is the result of a deliberate voluntary act committed in bad faith, its admission would constitute a serious injustice to the accused or bring the administration of justice into disrepute."

That is a rather heavy-handed approach on the part of the Law Reform Commission, but we all know that the Law Reform Commission is desperately afraid to be on the side of reform. What we have in the resolution is the word "shall"; that if the administration of justice would be brought into disrepute, the evidence shall be disregarded. Specific guidelines are given as to what is to be weighed in the balance. The judge is directed to weigh the pros and cons, the seriousness of the offence, the seriousness of the violation of the rights of the accused, and determine accordingly.

This position is very similar to the position taken in Scotland, Ireland, Australia, New Zealand and other countries. I can do not better than to quote from a famous Scottish case, *Lawrie versus Muir*, a decision of Lord Cooper. "The law must strive to reconcile two highly important interests which are liable to come into conflict: (a) the interest of the citizen to be protected from illegal or irregular invasions of his liberties by the authorities, and (b) the interest of the state to secure that evidence bearing upon the commission of a crime and necessary to enable justice to be done shall not be withheld from courts of law on any mere formal or technical ground. Neither of these objects can be insisted upon to the uttermost. The protection for the citizen is primarily protection for the innocent citizen against unwarranted, wrongful, and perhaps high-handed interference, and the common sanction is an action for damages . . . . On the other hand, the interest of the state cannot be magnified to the point of causing all the safeguards for the protection of the citizen to vanish, and of offering a positive inducement to the authorities to proceed by irregular methods."

It is not an absolute rule but a question of circumstance, and the factors to be taken into account include the following: Did the irregularity occur deliberately or accidentally? How serious is it? Is it a mere technical breach or something involving a threat to personal liberty? Was there an emergency involved in obtaining the evidence? Were those responsible for the illegal conduct police officers? How serious is the case against the accused? In fact, Scottish courts have admitted illegally obtained evidence where there is reason to believe the suspect would destroy the evidence, a rather practical approach to the problem.

The proposals of resolution No. 94 are very similar to proposals advocated by my colleague, the Attorney General for Manitoba, the Hon. Roland Penner, then acting in the capacity of a professor of law at the University of Manitoba. Professor Penner argued that it is a matter of legal and social policy that there be exclusionary discretion. Judicial integrity in the role of the courts as guardians of civil liberties is at issue, and of course it is difficult for judges to do this because of the Wray case and the Hogan case, so legislation is necessary.

Judicial discretion is already widely accepted in other matters of evidence, as we all know, so the concern over so-called unfettered discrimination, that there would be too great an element of uncertainty, can be countered by guidelines. That is precisely what the resolution before us does.

The sad fact is that violations of citizens' rights are commited in the collection of evidence, and the courts have not played a role in stopping this. There have been some very bad decisions made on the part of the Supreme Court of Canada. Some of the decisions made are as bad as those made in women's equality cases, but like in women's equality cases, there have also been some dissenting opinions. I would like to read one from Mr. Justice Laskin, 1974, in Hogan. It reads:

The choice of policy here, i.e. the majority decision to accept the evidence, is to favour the social interest in the repression of crime despite the unlawful invasion of individual interests and despite the fact that the invasion is by public officers charged with law enforcement. Short of legislative direction, it might have been expected that the common law would seek to balance the competing interests by weighing the social interests in the particular case against the gravity or character of the invasion, leaving it to the discretion of the trial judge whether

the balance should be struck in favour of reception or exclusion of the particular evidence.

Where constitutional guarantees are concerned, the more pertinent consideration is whether those guarantees, as fundamentals of the particular society, should be at the mercy of law enforcement officers and a blind eye turned to their invasion because it is more important to secure a conviction. The contention that it is the duty of the courts to get at the truth has in it too much of the philosophy of the end justifying the means. It would equally challenge the present law as to confessions.

In effect, the argument here is for exclusionary discretion. The McDonald Commission advocated an exclusionary discretion as well on the basis of the Law Reform Commission's proposals, and certainly the McDonald Commission was very aware of the problems of illegally obtained evidence. That commission noted particularly the very bad effect of the current practice in Canada of there being no exclusion on police conduct. The fact that the courts have not thrown out illegally obtained evidence has been interpreted by the RCMP at all levels to mean that illegal evidence is acceptable.

Until now, the debate has been of a rather theoretical nature, and writers and commentators have perforce guessed at the effect of the law on police investigative attitudes and conduct. It can now be said, at least in this country and in regard to the RCMP, that the attitude of members of that force, as expounded by its most senior officers, is to regard the absence of critical comment by the judiciary as tacit approval of forms of conduct that might be unlawful . . . . It is in this sense that one may say that the present law has encouraged the police, quite erroneously, to infer that judicial silence implies approval of the investigative method that has been described in court.

● (1720)

I should like to support the resolution, Mr. Speaker, and I hope the Government will not talk it out. After all, it is a proposal, a statement of principle; it is not an Act. If parliamentary reform means anything, I think it should be possible for the House to pass matters of this sort even if they have not been introduced by a Minister.

Mr. W. Kenneth Robinson (Etobicoke-Lakeshore): Mr. Speaker, I wish to deal with the first part of the motion which reads as follows:

Evidence shall be excluded if it was obtained under such circumstances that its use in the proceedings would tend to bring the administration of justice into disrepute.

In 1975 the Law Reform Commission of Canada proposed an evidence code in its first report to Parliament. In that report the Commission advocated that a judge should have a power to exclude evidence in certain circumstances. Two provisions of that code are important to us in our consideration of the motion today. Section 15 of the proposed evidence code is identical to the recommendation contained in the report of the MacDonald Commission and in the motion brought before the House today. Accordingly, I need not read it now.

In Section 16 of its proposed evidence code, the Law Reform Commission recommended a specific provision concerning the admissibility of statements, and that provision reads as follows:

A statement made by the accused to a person in authority is inadmissible if tendered by the prosecution in a criminal proceeding, unless the judge is satisfied beyond a reasonable doubt that the statement was not made under circumstances (including the presence of threats or promises) that were likely to render the statement unreliable, or unless the accused personally or through his counsel agrees to its admission.

Nothing in this section affects the admissibility of evidence other than a statement of the accused, including evidence of any fact discovered as a result of such statement or that such facts were discovered as a result of the statement.

The legal profession in Canada did not greet the report prepared by the Law Reform Commission of Canada with much enthusiasm. As a result, the Law Reform Commission of Ontario turned its attention to the law of evidence, and subsequently published a report in 1976. In that report the Ontario Commission also recommended that a judge should have the discretion to exclude evidence is it was obtained illegally and its admission would be unfair to the opposing party, or if evidence was obtained by methods that are repugnant to the fair administration of justice. The latter part of this recommendation was expressly designed to combat what the Law Reform Commission of Ontario perceived as bad policy in the decision given by the Supreme Court of Canada in *Regina v. Wray*. I think this case has been referred to by all Hon. Members who have spoken on this matter.

Then in 1981, the MacDonald Commission, as it was popularly known, recommended that a legislative provision be enacted in terms identical to those proposed in Section 15 of the evidence code of the Law Reform Commission of Canada. In its report, the MacDonald Commission made a brief survey of law as it stands in Canada and in other jurisdictions, as well as a summary of arguments for and against the discretion to exclude illegally obtained evidence. The Commission expressed its support for a discretion to exclude in Clause 64 which reads as follows:

In our view, the law of Canada should, like that of Scotland and Australia, give the trial judge a discretion to exclude illegally and unfairly obtained evidence. It will be noted that we do not propose the adoption of the American rule requiring the absolute exclusion of all illegally obtained evidence. The Canadian rule should be discretionary rather than absolute, because:

(A) The state's commitment to due process would be seriously diluted if the court in the most serious of crimes were to exclude evidence that was obtained as a result of the most trivial breaches of the laws of search. Rather than demonstrating the commitment of the law to principle, such a result would confirm in the minds of many members of the public the commitment of the law to technicality and in their minds would bring the law into disrepute. Therefore, the protection of judicial integrity and encouraging confidence in the judicial system require a discretionary rather than an absolute rule.

(B) The rationale of deterrence ought logically to apply only to intentional breaches of the law. Generally, an absolute rule of exclusion fails to distinguish between wilful and flagrant conduct on the part of the police on the one hand, and conscientious and careful police conduct undertaken in a difficult situation, on the other. An absolute rule fails to distinguish between errors of judgment that cause no harm and those that seriously violate fundamental values. An absolute rule fails to distinguish between a minor case such as shoplifting, and a grave case such as murder. Any rule that fails to discriminate between those different factual circumstances is too blunt an instrument to achieve any of its objectives, such as the preservation of judicial integrity and the deterrence of improper or illegal police conduct.

In the six years between 1975, when the Law Reform Commission of Canada published its evidence code, and 1981, with the publication of the report of the MacDonald Commission, three law reform bodies recommended that a judge should have the power to exclude illegally obtained evidence in certain circumstances and according to certain conditions. The argument in favour of such a power found some favour with law makers at both the provincial and federal levels because the next crucial development in this area of the law came in 1982 with the proclamation of the Canadian Charter of Rights and Freedoms. Section 24 of the Charter provides as follows:

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.

(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.

Under Subsection 24(2), therefore, a court can exclude evidence obtained by virtue of a constitutional violation if in the court's assessment of all the circumstances, the admission of the evidence would bring the administration of justice into disrepute. This power is, of course, predicated upon a violation of constitutionally protected rights. Thus the Charter gives some broad recognition to the exclusion of illegally obtained evidence. However, Subsection 24(2) of the Charter is not the only provision of Canadian law that would allow the exclusion of evidence on the basis that its admission would bring the administration of justice into disrepute. In 1976 Parliament enacted a specific provision that would permit the exclusion of wiretap evidence if its admission would bring the administration of justice into disrepute. Subsection 178.16(2) of the Criminal Code reads as follows:

Notwithstanding Subsection (1), the judge or magistrate presiding at any proceedings may refuse to admit evidence obtained directly or indirectly as a result of information acquired by interception of a private communication that is itself inadmissible as evidence where he is of the opinion that the admission thereof would bring the administration of justice into disrepute.

Let us now turn our attention to current developments in Canada. In 1977, following the report on evidence from the Law Reform Commission of Canada and the Law Reform Commission of Ontario, the Uniform Law Conference undertook, as it were, to prepare a synthesis and a Uniform Evidence Act that would be amenable to application in both the provincial and federal jurisdictions. To carry out this work, the Uniform Law Conference established a federal-provincial task force on uniform rules of evidence. The work of this task force was completed before the proclamation of the Charter. The task force made recommendations for reform in the law of evidence and tabled before the Uniform Law Conference a draft Act. In its report the task force devoted an entire chapter, Chapter 16, to illegally obtained evidence. The Uniform Evidence Act, as passed by the Uniform Law Conference in plenary session, was taken up by the Governments of Canada's various jurisdictions. After several amendments to the Uniform Evidence Act and after extensive consultation with the Provinces, the federal Government tabled Bill S-33 in the Senate in November, 1982. The provision of the Bill that affects the admissibility of evidence is Clause 22 which reads as follows:

Relevant evidence is admissible unless it is excluded pursuant to the Canadian Charter of Rights and Freedoms, this Act or any other Act or law, and evidence that is not relevant is not admissible.

The court may exclude evidence the admissibility of which is tenuous, the probative force of which is trifling in relation to the main issue and the admission of which would be gravely prejudicial to a party.

It would appear, therefore, that the Bill proceeds on the recommendation of the task force that no provision should be enacted to allow for the exclusion of illegally obtained evidence. This, indeed, was the position advocated by the federal-provincial task force, and I should like to quote a passage from that report. It reads:

● (1730)

The common law rule that judges should not be concerned with the propriety of the means used by a party to obtain evidence is subject to two exceptions in criminal cases: confessions and wiretap evidence. To ensure that a confession is reliable and that the accused's right to silence was not violated, the judge must inquire into whether a confession was obtained voluntarily. To protect the citizen against unauthorized wiretapping and eavesdropping the Criminal Code prohibits wiretapping or bugging unless the party obtains either the consent of a party to the communication or the authority of a court order. The Code also regulates the admissibility of such evidence in criminal proceedings. The sanctions in the Code would seem to be effective deterrents of illegal wiretapping and to make unnecessary an exclusionary provision for civil cases. The proposed discretion would require the court to speculate about the impact of admitting illegally or improperly obtained evidence upon the police and society. The role of the judge should be limited to the conduct of the trial and should not embrace these larger issues.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. Pursuant to Standing Order 24(2), it is my duty to interrupt the proceedings.

PRIVATE MEMBERS' PUBLIC BILLS

[*Translation*]

The Acting Speaker (Mr. Corbin): Shall all orders listed under Private Members' Public Bills preceding Order No. 396 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

AN ACT REQUIRING THE CANADIAN FLAG AND THE FLAG OF THE PROVINCE TO BE FLOWN ON FEDERAL BUILDINGS

MEASURE TO ESTABLISH

Mr. J.-Roland Comtois (Terrebonne) moved: That Bill C-596, an Act requiring the Canadian flag and the flag of the

Province to be flown on federal buildings, be read the second time and referred to the Standing Committee on Communications and Culture.

He said: Mr. Speaker, a little over three years ago, I rose in this House to introduce this bill entitled An Act requiring the Canadian flag and the flag of the Province to be flown on federal buildings. I would like to remind my colleagues of the comments I made at that time. It was on May 21, 1980, the day after the Quebec referendum. I then said the following:

> Madam Speaker, I am very proud the day after a large majority of Quebecers have expressed their will to remain in the Canadian federation to introduce this bill to provide for the flying of the Canadian flag and the flag of the province on federal buildings.

I also said:

> Madam Speaker, Canadians from Quebec have rediscovered yesterday that they are proud of flying both the Canadian and the Quebec flags together. Given the spirit that prevails today in this House—

I asked for unanimous consent to proceed without debate with all stages of this Bill. I had consulted the then Leader of the Official Opposition, the Right Hon. Member for Yellowhead (Mr. Clark), the Leader of the New Democratic Party, the Hon. Member for Oshawa (Mr. Broadbent), and the Leader of my own party (Mr. Trudeau), and all three had given their consent. At the last minute, one of my colleagues, unaware of these negotiations, rushed into the House to object, and he was the only Member to oppose this motion. That is why this Bill is still on the order paper three years later.

I hope that today, my colleagues on all sides of the House, and particularly in my own Party, will do everything in their power to allow this bill to proceed through all stages with unanimous consent before we adjourn.

Mr. Speaker, all my Quebec colleagues and myself fought against the concept of separation at the time of the May 20, 1980 referendum. I would like to remind my colleagues what the supporters of separation were doing at that time. PQ members were going all over Quebec carrying the Quebec flag, which had become the symbol of Quebec separation and independence. As for us, supporters of federalism, we went all over the Province with both the Canadian and the Quebec flags. That is the symbol that prevailed at the referendum, which was won by federalist Quebecers by 60 per cent against 40 per cent.

I would like the House to reflect for a few moments on the fact that very soon, perhaps within a year, the Parti Québécois will hold another referendum or a provincial election on Quebec sovereignty. For my part, as I am convinced that, as a French-speaking Quebecer, I belong in Canada, I would like the Canadian flag and the provincial flag, the flag of my Province, to be flown on federal buildings, especially in Quebec, as a token of our attachment and our sense of belonging to this country.

This very short and simple Bill contains three Clauses. The first Clause provides the following:

> The Canadian flag and the flag of each of the provinces and of the Yukon Territory and the Northwest Territories shall be flown from the Parliament buildings situated in Ottawa.

Mr. Speaker, on Canada Day next week, all these flags will be flown side by side on Parliament Hill in front of the Centre Block. All the visitors to our national capital city will be happy to see the flag of their own province flying on Parliament Hill. Unfortunately, it is only for a week and then the flags are removed. I still wonder why. In a country such as Canada which is a federation of ten provinces and two territories, I wonder why those flags are flown during only one week in the year when they should be flown all year round on Parliament Hill. It is the first Clause of my Bill.

The second Clause of my Bill reads as follows:

> The Canadian flag shall be flown on all buildings owned by the Crown in right of Canada as well as on all buildings occupied by federal services.

We know that in all Provinces, many rented buildings are occupied by federal services. This legislation would compel the owners of those buildings to fly the Canadian flag and that of the relevant Province. Besides, several provinces if not all, except Quebec, are already flying on their own provincial buildings both the Canadian and the provincial flags. Unfortunately, in Quebec this is not done. However, I think that as federal Members we should set the example and fly both flags on our own buildings.

The third Clause merely states the following:

> The Governor in Council may by regulation define "building" for the purposes of this Act.

This is a very simple Bill which has a great symbolic importance especially in Quebec. As I said a few moments ago, we will soon have another battle to fight in Quebec over the issue of independance or attachment to the Canadian federation. I am convinced beforehand that the Parti Québécois will launch its campaign by flying the Quebec flag as a symbol and again as federal Members of Quebec, we will fight with both flags in both hands. Why not legislate this dual attachment and this dual symbol throughout the country and not just in Quebec?

I will not say anything more, Mr. Speaker, because there is very little time left until adjournment, but I hope my colleagues on both sides of the House, particularly on this side, will shorten their speeches so that before we adjourn we may ask with unanimous consent that the House go through all stages of this Bill to put this legislation on our statute books so that we will be able as soon as possible to fly both the Canadian flag and the provincial flag on all federal buildings in Canada.

• (1740)

[*English*]

Mr. Bruce Halliday (Oxford): Mr. Speaker, I would like to congratulate the Hon. Member for Terrebonne (Mr. Comtois) for bringing in Bill C-596. I think that all of us who are at the

federal or provincial level of legislative activities are interested in the symbolism of flags and feel that we bear some responsibility to consider proposals such as the one brought in by the Hon. Member. At first glance, I do not see much objection to the proposal, although I note that the description of the Bill reads: "An Act requiring the Canadian flag and the flag of the Province to be flown on federal buildings". That seems to be mandatory, as it is stated there. However, when one goes through into the reading of the Act itself, one finds that Clause 2(2) states:

> The flag of the Province or the territory in which the building is situate may also be flown on such buildings.

I simply detected a discrepancy. I am not sure whether the Hon. Member's real intention is that the flag shall be flown as the title seems to suggest, if I am using the right terms in describing the heading of the entire Act. However, I am just wondering whether or not the Government's real intention is that it will be mandatory for the Provinces to fly the provincial flags.

The only other problem I see probably lies in Clause 1 of the proposed Bill. I certainly have no objections to the philosophy of having the provincial flags flying on the Parliament buildings here in Ottawa. I see some merit in it, although it might be overdoing a good thing, in a way. It is certainly appropriate to have the Canadian flag flying here. I know that none of us would dispute that. I just wonder how it would look and the logistics that would be involved in flying the 12 other flags. I dare say that it could be done. I see the wisdom of it on ceremonial occasions such as we have had when the monarch or other people have visited. Then we want to have the flags of all our Provinces and of Canada displayed at the same time.

I think the Hon. Member for Terrebonne was perhaps suggesting that we recognize our flags in that way all the time, not just on special occasions. I am not so much arguing against it as I am simply raising the logistical question as to how we will fly those extra flags.

Therefore, I commend the Hon. Member for bringing the Bill before us for consideration. Perhaps he cannot, by the rules of the House, reply to my inquiry about the apparent conflict I see in what we have in front of us. Perhaps one of his colleagues could answer that question so that we would better understand whether or not it will be mandatory for the Provinces to fly their flags on federal buildings within each given Province.

[*Translation*]

Mr. Maurice Dupras (Labelle): Mr. Speaker, I am very pleased to participate in the debate on this Bill because it was introduced by my colleague from Terrebonne (Mr. Comtois) in 1980. In my opinion, it was fitting that he introduced it the day after we won the referendum, when we Canadians of the Province of Quebec were reassured about the intentions of Canadians in that province who were anxious to remain Canadians and continue to live as such.

I am all the more pleased as I share his views on the absence of the Canadian flag on our provincial institutions, such as schools and halls of justice which are the responsibility of the Province of Quebec, and all other Government buildings which belong to the province. I think that as long as the present Quebec Government continue to refuse to fly the Canadian flag, it will be denying Canadians in that province the right to show and affirm that they belong to this great country. I think that is unacceptable. That is why I want to reassure my colleague and tell him that I support his Bill. If it is not adopted this afternoon, it will be soon, because sometimes the Government takes a little while to understand the will of Canadians. Perhaps this is a striking example of the heartfelt desire of Canadians to see the flag of their country on all Government buildings of the Province of Quebec.

As to the possibility of flying the flags of all provinces on Government buildings throughout Canada, I think that could be the subject of a debate. I am not sure I would like to see the flag . . . Perhaps there is a place near the Centre Block where the flags of the provinces and the territories might be flown.

In any event, I fully agree with my colleague from Terrebonne when he talks about the flag of the Province of Quebec.

I should like to remind the House that this blue and white flag has had an official status for a long time, for it was Queen Victoria who in 1868, granted the province of Quebec this blue flag with three white fleurs-de-lis. Even then, Quebec residents used to consider this flag as the true French-Canadian emblem, and I strongly support the Hon. Member for Terrebonne when he says that this flag cannot be identified with a political party, since it was granted to the province of Quebec in 1868, a long time before 1976.

He is perfectly right on this, and he can truly say that we are proud of our flag; I think that it is quite proper that we should be dealing with this issue on this day, the 23rd of June, the eve of St. John the Baptist Day, the day when French-Canadians everywhere celebrate their patron saint who has always been a source of inspiration to us, French Canadians, born and raised in the province of Quebec, together with other Canadians not necessarily of French descent but who are nevertheless good Canadians who have contributed to the good of our society and the economic development of our province.

I wish to say again to the Hon. Member for Terrebonne that I fully support his bill and that I hope, should it not go through today, that it will be passed in the near future, and I am looking forward to the day when this Canadian flag, which thrills the souls of all Canadians who can be proud of it, will fly over all government buildings in the province of Quebec.

Mr. André Maltais (Parliamentary Secretary to Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Mr. Speaker, you know very well how to recite the whole list. There is no problem.

I would also like to join my colleagues from Terrebonne (Mr. Comtois) and Labelle (Mr. Dupras) in discussing this legislation that has come in for second reading today. I would like to commend the Hon. Member for Terrebonne for introducing that Bill after the referendum campaign, and I feel we should hasten to pass it, because I feel it is mere political meanness not to have in this country two masts for flying first the symbol of Canadian unity, the Maple Leaf, and, second, the flag of each province. I feel this would simply be a sign of unity and pride, since there would be no contradiction between the two. We all know very well Gilles Vigneault's song "My Country is Winter". It is a factor of unity for this country to have a hard winter climate from South to North, from North to South, from East to West and Mgr. Savard has written quite an extraordinary poem entitled "My country" which closes with these words: "Happy the nations that get on well". It is my view that putting both flags side by side would simply show that the two founding groups, the French-speaking and the English-speaking, should be but one within this country, this Canada.

• (1750)

Of course, in Québec the problem has been harder to experience because there is a political war going on. But despite all this, Quebecers made their choice in 1980, even though the question seemed and was in fact biased. All Quebecers are proud of their flag, and that includes the Members in this House who represent not only Quebecers but also the French Canadians, but more so those who live in Quebec. It is my view that nobody who comes here in this House has any intention of giving up anything. It is just the opposite, because when we come here we try to enhance the pride of the Quebecers and promote it from sea to sea. It is important that this be stressed.

The goal pursued by the Hon. Member for Terrebonne is indeed to stress this. There is nothing as interesting as landing at Dorval Airport and seeing federal land with both flags flying side by side, and I would even say that municipal flags should also be flown. In Quebec City, at Laval University, we see a perfect example of a trilogy in completeness. There is a triangle, with a mast at each apex, and there we have the Canadian flag, the Quebec flag and the University flag, and to whatever side one may turn there is always one of them in the center.

Therefore nobody seeks the central spot because it is a perfect triangle. In Quebec as in this Chamber, we somewhat act as missionaries because we have to explain mysteries. In religion, you have the mystery of the Trinity. In politics duality must often be explained. Thus, if only we could come back to the good old triangle which would give us a perfect base, very much like in mathematics where the triangle is the perfect form for the proper distribution of weights, everybody would be proud, including municipal governments. Everyone knows perfectly well that in current debates, mention is often made that each level of government should guard its autonomy. We still can see instances in Quebec where as a result of government legislation , municipal authorities cannot receive federal funds. These debates may be seen as constitutional debates, but what the people of Quebec, of Ontario, of Manitoba want is to be able to keep a larger share of their tax revenues in their province.

Therefore I believe that the suggestion made by our colleague, the Hon. Member for Terrebonne, seconded by the Hon. Member for Labelle certainly deserves recognition and should be implemented without delay. I believe that when amendments are before the committee I think that one dealing with a mast for municipal governments should be moved. As a matter of fact quite often, when one refers to two flags, it is as though a choice had to be made between the two which in fact is never the case. You don't take away, you add instead, which I think is the important point. However, I find this quite difficult to explain to our constituents because we tend to refer to famous examples while we should think in more simpler terms, such as a family with the father, the mother and the child. There is never a choice to be made among them. A family is a sum of its members gathered in the same entity, just as you have a country made up of districts, municipalities and provinces.

The bill is quite welcomed and I support it fully. It is too bad Mr. Speaker, that we did not get it passed more rapidly and in that respect I think that Canadians have every right to complain when they see governments move so slowly. It is a little bit embarrassing to see such a simple and well balanced bill trigger so much debate. I believe we should speed up the process in this Chamber.

Perhaps the Hon. Member opposite was right a moment ago when he pointed out a slight difference when we say the flag should be required to be displayed, while the various clauses provide that it is merely desirable, that the Governor in Council may allow the flag to be displayed. I think we should simply try to standardize the formulation to ensure that there would be no contradiction. However, deep down, all we are asking for in this bill is that the Canadian flag as well as the flags of Ontario, Quebec and so on be equal everywhere, without one of them replacing another but instead, one adding to the greatness of the other. It is very interesting when we visit places like British Columbia or Newfoundland to see the Canadian flag everywhere and to come back home to see once more the Canadian flag, but this time accompanied by the provincial flag. I suggest one should try to the utmost to avoid such flag wars. These symbols are supposed to be a factor of unity while too often they are viewed as a factor of division. These are important aspects and I believe we should think about them.

More and more, Mr. Speaker, one can see, coming out of the economic crisis we have been through, an incredible tendency for Canadians to turn to the central Government in order to

benefit from equal revenue everywhere. One can see federal buildings being constructed in greater number in the province of Quebec as well as other provinces, and I can see a stronger federal presence in the Maritime Provinces. I believe the federal Government should not be visible alone. It is important that the federal Government be visible together with provincial Governments, with each separate entity in every province, since that is what makes for the greatness of this country. It would be desirable that the provinces do likewise and fly the Canadian colours together with their own over all provincial buildings. It would not shock anyone. It is simply a matter of common sense.

Mr. Speaker, I will conclude by saying that I will probably introduce amendments in committee to make sure that there are also flagpoles for municipalities. Indeed it is fine to be proud of one's country and one's province, but one should also be proud of one's municipality. It is only when we can be proud of all three of them that the great unity problem is solved.

[*English*]

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I too would like to congratulate my colleagues, the Hon. Member for Terrebonne (Mr. Comtois), the Hon. Member for Labelle (Mr. Dupras) and the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Maltais) who has just spoken regarding Bill C-596, an Act requiring the Canadian flag and the flag of the Province to be flown on federal buildings. This Act would require the Canadian flag, the flag of each Province and the flag of the Yukon and Northwest Territories to be flown from the Parliament buildings here in Ottawa. It also calls for the Canadian flag and the flag of the Province or territory where a federal building is situated to be flown on such buildings.

As I have mentioned, I applaud the intent of this Bill which I know is based on the premise that flying the flags in such a manner will indicate the complementarity of both levels of Government in the lives of all Canadians.

I must point out, however, that there are several problems which require consideration before proceeding in such a manner. First, there is the matter of identity. For example, Canadians who are looking for services of the Government of Canada know that those services are located in buildings flying the Canadian flag. If provincial flags are also flown, confusion can arise as to exactly what kind of services are being provided in that building, whether they are federal or provincial. I believe that there should be visibility for services provided to Canadians by their national Government. The flying of the Canadian flag only on buildings owned by the Crown is one way of contributing to that necessary degree of visibility.

I think we should also consider what the Parliament buildings would look like with ten provincial flags and two territorial flags as well as the Canadian flag. I suggest that such a display would detract from the majesty of the Canadian flag flying in its solitary splendour atop the Peace Tower.

I would remind Members that a short distance from Parliament Hill is an area where all the provincial flags are flown—the Garden of Provinces. I feel that this is the appropriate place to display these flags. We should also remember that on all ceremonial occasions such as the proclamation of the Constitution last year or of Canada Day, we proudly fly the flags of Canada's Provinces and Territories at suitable locations.

I think we also must consider that it is not solely within the purview of the national Government to determine whether provincial flags should be flown along with the Canadian flag on federal buildings. I think it is important to determine the stand of the various provincial Governments and the territorial Governments on this issue. I believe the Hon. Member for Oxford (Mr. Halliday) perhaps referred to some concerns along these same lines.

How many Provinces might agree with this type of suggestion? Surely provincial Governments also have a say in how their provincial flags are to be flown. It may be that some Provinces would not welcome the confusion of provincial flags flying from buildings owned by the Government of Canada.

I could go on but I believe that my time is up. I would certainly recommend to the House that while this suggestion is worth-while, there still needs to be much thought and consideration given to it. Again, I would like to compliment the Hon. Member for Terrebonne for bringing this private members' Bill to our attention for our consideration.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please! As it is now 6 p.m., pursuant to the order adopted on Thursday, June 16, 1983, and the provisions of Standing Order 2(2), the House stands adjourned until Monday morning at eleven o'clock, pursuant to Standing Order 2(1).

At 6 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, June 27, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CONSTITUTION AMENDMENT PROCLAMATION, 1983

MOTION TO AMEND CONSTITUTION OF CANADA

Hon. Mark MacGuigan (Minister of Justice) moved:

That:

Whereas the Constitution Act, 1982 provides that 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 resolutions of the Senate and House of Commons and resolutions of the legislative assemblies as provided for in section 38 thereof;

And Whereas the Constitution of Canada, reflecting the country and Canadian society, continues to develop and strengthen the rights and freedoms that it guarantees;

And Whereas, after a gradual transition of Canada from colonial status to the status of an independent and sovereign state, Canadians have, as of April 17, 1982, full authority to amend their Constitution in Canada;

And Whereas historically and equitably it is fitting that the early exercise of that full authority should relate to the rights and freedoms of the first inhabitants of Canada, the aboriginal peoples;

Now Therefore the House of Commons resolves that His Excellency the Governor General be authorized to issue a proclamation under the Great Seal of Canada amending the Constitution of Canada as follows:

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

1. Paragraph 25(b) of the Constitution Act, 1982 is repealed and the following substituted therefor:

"(b) any rights or freedoms that now exist by way of land claims agreements or may be so acquired."

2. Section 35 of the Constitution Act, 1982 is amended by adding thereto the following subsections:

"(3) For greater certainty, in subsection (1) "treaty rights" includes rights that now exist by way of land claims agreements or may be so acquired.

(4) Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons".

3. The said Act is further amended by adding thereto, immediately after section 35 thereof, the following section:

"35.1 The government of Canada and the provincial governments are committed to the principle that, before any amendment is made to Class 24 of section 91 of the Constitution Act, 1867, to section 25 of this Act or to this Part.

(a) a constitutional conference that includes in its agenda an item relating to the proposed amendment, composed of the Prime Minister of Canada and the first ministers of the provinces, will be convened by the Prime Minister of Canada; and

(b) the Prime Minister of Canada will invite representatives of the aboriginal peoples of Canada to participate in the discussions on that item."

4. The said Act is further amended by adding thereto, immediately after section 37 thereof, the following Part:

"PART IV.1 CONSTITUTIONAL CONFERENCES

37.1 (1) In addition to the conference convened in March 1983, at least two constitutional conferences composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada, the first within three years after April 17, 1982 and the second within five years after that date.

(2) Each conference convened under subsection (1) shall have included in its agenda constitutional matters that directly affect the aboriginal peoples of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on those matters.

(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 a conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

(4) Nothing in this section shall be construed so as to derogate from subsection 35(1)."

5. The said Act is further amended by adding thereto, immediately after section 54 thereof, the following section:

"54.1 Part IV.1 and this section are repealed on April 18, 1987.

6. The said Act is further amended by adding thereto the following section:

"61. A reference to the Constitution Acts, 1867 to 1982 shall be deemed to include a reference to the Constitution Amendment Proclamation, 1983."

7. This Proclamation may be cited as the Constitution Amendment Proclamation, 1983.

He said: Mr. Speaker, I rise, on what may be fairly called a historical occasion, to move a resolution to authorize His Excellency, The Governor General, to issue a proclamation respecting amendments to the Constitution of Canada.

For the first time in Canada's history we are today setting in motion a procedure for the amendment of our Constitution, a procedure that no longer requires us to have recourse to the Parliament at Westminster. And it is perhaps fitting that these first "made in Canada" amendments should relate to the rights and freedoms of the first inhabitants of Canada, the aboriginal peoples.

• (1110)

May I draw to your attention, Mr. Speaker, the presence in the galleries of a number of the leaders of our aboriginal peoples.

Some Hon. Members: Hear, hear!

Mr. MacGuigan: We welcome their witness to this further stage in the work we have undertaken together.

The Constitution Act, 1982, which was proclaimed here in Ottawa by Her Majesty the Queen on April 17, 1982, contains three references to the aboriginal peoples of Canada.

Section 25, which is a Section in the Charter of Rights and Freedoms, amounts to a rule of construction and provides that:

> 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 of 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.

Section 35, which comprises Part II of the Act, is entitled "Rights of the Aboriginal Peoples of Canada." This Section is substantial in nature. It provides for the recognition and affirmation of the existing aboriginal and treaty rights of the aboriginal peoples of Canada, and goes on to define the term "aboriginal peoples of Canada" to include the Indian, Inuit, amd Métis peoples of Canada.

The Section reads as follows:

> 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.

Two aspects of this provision are worthy of note. First, to the best of my knowledge Canada is one of the very few countries whose Constitutions recognize and affirm the existing rights of its aboriginal peoples. Second, never before, in any constitutional document or Act of Parliament have the aboriginal peoples been defined.

The third reference to the aboriginal peoples is to be found in Part IV which is entitled "Constitutional Conference". Part IV consists of Section 37, which reads as follows:

> 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.
>
> (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.
>
> (3) The Prime Minister of Canada shall invite elected representatives of the Governments of the Yukon 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.

● (1115)

[*Translation*]

This section is particularly interesting in that, since it stipulates that a constitutional conference shall be held within one year after the coming into force of the Constitution Act, 1982, with a view to considering possible amendments to the legislation, it implies that the legislation in question is incomplete in its present form.

In this respect, Mr. Speaker, the resolution now before us, while perforce presented as a proposed amendment, constitutes a first proposal to settle with our aboriginal peoples certain constitutional questions left unresolved.

To understand clearly the intent of the resolution which the House is considering today, we must, I feel, take into account not only the letter of the section in question, but its spirit as well.

[*English*]

First, you will note that the Conference agenda had to include "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". May I draw your attention, Mr. Speaker, to a slight but deeply significant difference between the words respecting rights found in this Section, Section 37, and those found in Section 35. "The existing aboriginal and treaty rights of the aboriginal peoples of Canada", the wording used in Section 35, refer only to rights that are aboriginal in nature, or have been or may be acquired by treaty. This Section deals with Canada's historical obligations to its native peoples.

Turning to Section 37 we find a different wording with respect to rights. That Section speaks of "the identification and definition of the rights of those, that is, the aboriginal peoples to be included in the Constitution of Canada".

It will be seen right away that the wording of Section 37 is much broader than that contained in Section 35. The rights in Section 37 need not be in existence. Rather, the section looks to rights not yet identified. Nor are these rights constrained by the terms "aboriginal" or "treaty". In other words, Section 37 concerns itself with the rights of the aboriginal peoples as they should be, as well as as they are.

I do not suggest that the Sections are not linked. The process of identification and definition of new rights certainly includes the identification and definition of the existing aboriginal and treaty rights referred to in general terms in Section 35.

Under normal circumstances anyone seeking identification and definition of any rights contained in the Constitution must have recourse to the courts, but Section 37 provides, for our aboriginal peoples, a political route to follow to seek identification and definition not only of rights now contained in the Constitution, but of rights to be included in the future.

I think this careful consideration of the wording of the Constitution is important to a proper understanding of what is proposed in the resolution before the House today. I hope that Hon. Members do not find it too wearisome, and I can assure you, Mr. Speaker, that I am rapidly coming to the close of the scriptural exegesis portion of my remarks.

Before I leave Section 37 may I draw the attention of the House to that part of the Section which provides that the Prime Minister of Canada shall invite representatives of the aboriginal peoples, "to participate in the discussions". This might be seen as the third element of the framework that

underpins the special position of our aboriginal peoples in Canadian society as a whole. First, Section 25 protects the rights of aboriginal peoples by a rule of non-derogation in construction. Second, Section 35 recognizes their existing aboriginal and treaty rights, and third, Section 37 not only provides for the inclusion of further rights of aboriginal people in the Constitution but assures their participation in discussions of their rights.

• (1120)

[*Translation*]

The Constitution Act, 1982, as it is presently drafted, made a constitutional conference a definitive solution. However, it soon became very clear to all interested parties that the unresolved issues respecting the aboriginal peoples and the Constitution could not be settled in only one year and by only one conference. Early last summer, the Prime Minister (Mr. Trudeau) informed the aboriginal leaders, the provincial premiers and the territorial governments that it would be advisable to set up a permanent mechanism to replace the conference provided for in Section 37, a mechanism which would play a role no less important than the conference itself.

[*English*]

If I may now turn to the resolution, starting at the end rather than at the beginning, you will find, Mr. Speaker, that the new Section 37 that is proposed provides for two further constitutional conferences. The Section, as amended, continues the thrust of the original Section 37 and need not delay us further at this time.

I should at this point, however, draw to your attention that by an accord signed by the Government of Canada and by nine of the provincial Governments, with the participation of the leaders of the aboriginal associations and the territorial Governments attested by their signatures, a third constitutional conference, chronologically to be the first, is to be held within one year of the completion of the conference held in March of this year. The fact that this conference, being the first in time, is agreed to in an accord rather than contained in the proposed amended Section 37 derives from the delay involved in the operation of the amending formula. I shall deal with the amending formula in a moment.

So, Mr. Speaker, we look ahead to three further constitutional conferences that will deal with what I have earlier called the unfinished business respecting our aboriginal peoples and the Constitution, the first of these conferences to be held prior to March 16, 1984; the second, prior to April 17, 1985; and the third, prior to April 17, 1987.

The schedule and work plan that lie before us amply demonstrate, I believe, the shared commitment of the aboriginal peoples, the Government of Canada, and the provincial and territorial Governments to the completion of this aspect of constitutional renewal, the identification and definition of the rights of the aboriginal peoples.

But the security of the on-going process is not the only achievement of the constitutional conference. Turning once again to the resolution we find, first, a proposed amendment, by way of clarification, to the rule of construction in Section 25. A similar amendment, but this time substantial in nature, is proposed to Section 35 in the form of a new Subsection which makes it clear that the treaty rights referred to in that Section include "rights that now exist by way of land claim agreements or may be so acquired".

Hon. Members will be aware, Mr. Speaker, that our aboriginal peoples were eager to ensure that aboriginal rights are guaranteed equally to male and female aboriginal persons. Some confusion has ensued as to whether the wording contained in the resolution before us is that agreed upon at the conference. I can report to the House, however, that the leaders of the aboriginal peoples, showing a totally admirable generosity of spirit, have notified the Government in writing, that the wording now before us can stand, thereby avoiding delay in the process of amendment.

• (1125)

May I in this House express my thanks to those who have so kindly written to me and to the Prime Minister (Mr. Trudeau), and confirm publicly today that we will revisit this issue when we meet again next year.

The proposed wording of the new equality Subsection in Section 35 as it now stands is as follows:

> Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in Subsection (I) are guaranteed equally to male and female persons.

The last of the amendments proposed in the resolution before us today arises from the wish, common to all the aboriginal organizations, to have what they have described as a "consent" clause which would make it a constitutional requirement that they signify their consent to any amendment to any of the Sections of the Constitution that specifically affect them.

[*Translation*]

These provisions would give aboriginal peoples the right of veto with respect to certain sections of the Constitution. This would be unacceptable to the Government of Canada, since, with the exception of certain very specific cases, only the Parliament of Canada which represents all of the people of Canada enjoys a right of veto.

However, most of the conference participants acknowledged the fact that the sections of the legislation directly affecting the aboriginal peoples require special protection against possible, although, I would hope, unlikely, arbitrary intervention from one or the other of the governments.

[*English*]

In furtherance of this objective the resolution proposes a new Section in Part IV of the Act, to read as follows:

> 35.1 The Government of Canada and the provincial Governments are committed to the principle that, before any amendment is made to Clause 24 of Section 91 of the Constitution Act, 1867, to Section 25 of this Act or to this Part,
>
> (a) a constitutional conference that includes in its agenda an item relating to the proposed amendment, composed of the Prime Minister of Canada and the First

Ministers of the Provinces, will be convened by the Prime Minister of Canada; and,

(b) the Prime Minister of Canada will invite representatives of the aboriginal peoples of Canada to participate in the discussions on that item.

The effect of the new Section is to extend into the future the role played by the aboriginal leaders at the conference held this year and to be played by them at the three constitutional conferences, thereby giving permanent effect to the thrust of the original Section 37.

The new Section identifies Section 25 and Section 35 of the Constitution Act of 1982. We have looked at these earlier. It also identifies Section 91(24) of the Constitution Act of 1867. Hon. Members will recall that this is the provision that confers on the Parliament of Canada the exclusive right to legislate for Indians and Indian lands.

It should also be noted that the new Section is cast in the form of a commitment by the Government of Canada and the provincial Governments rather than in the form of a justiciable provision. This exceptional formulation brings me to a brief discussion of the amending formula.

As a general rule, an amendment to the Constitution of Canada calls for passage of a resolution by the Senate and Commons of Canada, and by at least seven of the legislatures of the Provinces together making up 50 per cent of the population. In the Accord to which I referred earlier, nine of the Provinces and the Government of Canada have undertaken to pass the necessary resolutions prior to December 31, 1983. Not forgetting the vagaries of the political life, I believe that this should ensure that the sought for amendments to the Constitution will be made in good time.

• (1130)

Turning once again to the proposed new Section 35.1, I may say that were it to be cast in the form of a justiciable provision, its effect would be to alter the amending formula. An amendment to the amending formula is one of the amendments which calls for unanimity, something which cannot be expected at this time for reasons I am sure the House will readily understand. Therefore, we have a political commitment enshrined in the Constitution. I do not feel we should see this as a lesser protection than a provision in justiciable form. Its exceptional nature tends rather to highlight it, and it will provie to be exceptionally difficult to amend or ignore.

Section 35.1 might be described, Madam Speaker, as an express convention of the Constitution. I should note that the resolution also contains a few consequential amendments, dearly beloved of lawyers but of little interest to anyone else.

Before I sit down I would like to say how impressed I was by the commitment and the diligence with which all the participants, Governments and aboriginal organizations alike, approached and pursued the long and difficult road which led to the agreement represented by the resolution before us. I believe that I can safely assert that we have opened a new chapter in the book which records the long and often sorry chronicle of the relations between Governments in Canada and our aboriginal peoples. Today, we write the first few paragraphs in this chapter. If we have the courage, the determination, and the respect for each other which is required, we can together complete this chapter, a chapter which our children and our children's children will read with pride.

It is now my great pleasure, Madam Speaker, to move, seconded by the Hon. Member for Davenport (Mr. Caccia):

That the resolution be adopted.

Mr. Allmand: Mr. Speaker, in his remarks the Minister referred to letters from the aboriginal peoples in which they expressed their approval of the Accord. Would the Minister be willing either to table those letters in this House or refer them to the Standing Committee on Indian Affairs which will sit this evening, I believe, to consider this matter? I believe those letters will be very helpful in our deliberations.

Mr. MacGuigan: Mr. Speaker, I am certainly prepared to make those letters available. I understand they have already been sent to the Opposition spokesmen. Probably the best way to handle them at this point would be to make them available to the committee tonight when it meets to begin its deliberations.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I also take pride in standing today to debate the adoption of this resolution. I listened with great interest to the Minister as he put forward what in fact we were doing today, and I do not intend to repeat that. This is the first time that we, as a Parliament, will be discussing an amendment to our Constitution, an amendment which no longer has to go to Westminster to be adopted. I am very pleased that we are now able to do that. I take pride in whatever part I can play in furthering that process.

I would like also to congratulate the aboriginal people of this nation on the way in which they were able to fit into this process, so different from the process to which they are accustomed. This was their first conference, a conference which the federal Government and the Provinces had been participating in for decades. They were aware of the procedure to be followed as this negotiation was taking place, but the aboriginal people came there for the first time. Later in my remarks I will make reference to how the Government should have assisted them further. However, even though the aboriginal people came there for the first time, they were able to put forward their views and desires in a very forthright manner, which, I am sure, made the citizens of this nation very proud. I want to congratulate these people for doing that.

There are two issues which must be addressed by those of us here today, namely, the motion which is presented for deliberation, and the principle which is inherent in that motion. The Minister of Justice (Mr. MacGuigan) has placed this motion before the House. If passed, this motion would allow the Governor General to issue a proclamation to amend the Constitution so that two constitutional conferences, in addition to the one which is already specified in the Act, will be allowed to take place in the next number of years. What this is meant to do is to further the process of identification and definition of

the rights of the aboriginal peoples of Canada in order that those rights can be entrenched in the Constitution and there will be, once and for all, a protection of those people; and their culture, their language, their way of life will no longer be completely subject to the whims of whoever the politicians are in this Chamber, or other Chambers, at any one time.

This Accord arose from and was signed as a result of a process of consultation and negotiation amongst the parties I have mentioned. This motion, which I endorse, which I know everyone in this House will endorse, is one that both we in this House and the provincial legislatures of this country should pass in all haste so that this can be entrenched in our Constitution at the earliest possible date.

One issue which I believe is very serious is the principle which is implicit in the motion. This principle is of vital importance to myself and to my Party, and to the people of this country, Canada. What is being challenged here today, and in other legislatures across the country, is the very rigidity of our Constitution, and what is being expressed is its dynamism, its ability to fulfil the needs and aspirations of the peoples who together comprise the country in which we have so much pride. This is the process which we are witnessing, and to which I would like to draw attention. It is not just another motion which comes to the House day after day. This motion is in its very nature the foundation of our Constitution.

Today the Government is asking for our endorsement of the ongoing process of identifying and defining the rights of the aboriginal peoples of Canada. This endorsement I wholeheartedly give, and I know my Party wholeheartedly gives. An ongoing process is the only means by which the aboriginal peoples can achieve the commitment of the country through its most sacred law, the Constitution, of their right to remain a distinct people within the framework of the Canadian federation. Although I wholeheartedly endorse this goal, the goal of entrenching these rights in the Constitution, I cannot wholeheartedly endorse the manner and the means by which we have achieved this goal.

• (1140)

In my opinion, the process that was witnessed by the Canadian people prior to the constitutional conference held in March of this year was totally inadequate from the start. There were many inadequacies in trying to reach the goal of those people who, in good faith, attempted to thrust Canada into the ranks of the forerunners of the world in the way in which we accommodate our aboriginal people. The processes that were undertaken can be summed up, I believe, in one sentence. Nothing was done beyond reaching a consensus that something must be done. I do not believe that was good enough. It was not good enough for me. I do not believe it was good enough for the people of this country.

It is now time for Canadians to see that in Ottawa and in the Provinces there is a will, the political will to initiate the changes necessary to ensure that the aspirations of distinct peoples, no matter where they happen to live in Canada, are given the opportunity to flourish in freedom. If we need new blood to accommodate this purpose, then let there be that new blood. Let us exhort our Ministers and the present Government and, if there is a change in Government, the new Government and new Ministers, to take part in this very necessary process of negotiation that will bring the aboriginal people and the federal Government together in discussions so that they can then meet the Provinces and bring about change.

The Prime Minister (Mr. Trudeau), in his opening remarks to the constitutional conference on March 15, was extremely candid, and I respected his candour. Upon reviewing his Government's record with regard to aboriginal peoples, he said the following: "If we did not succeed, it was not for lack of trying". I have watched over ten years, and I believe that he has tried. However, he has not tried hard enough. He particularly got off on the wrong foot some ten or 12 years ago. It has taken a long time for him and the Government finally to reach today's debate on this resolution. Perhaps he has tried in the same way he has tried with the other problems we are so remorsefully facing.

At the constitutional conference, a voice rang out long and clear above the din, the voice of the aboriginal people. With their collective voice they were expressing that they do have a resolve as a people. I believe that voice was heard. Television projected it right across the country. I feel that within this Chamber, and within the provincial legislatures, the voice was heard, as well. I hope it was a voice heard with understanding and not just one with sympathy. People in this country will only take notice if we, as politicians in this Chamber and in the provincial legislatures, move forward with understanding, setting in place the kinds of resoltuions and then amendments to our Constitution which will assist our first peoples to have the way of life they desire.

I must admit that the role played by the federal Government in the conference was not the role that I envisaged. As I understand its role, it is to be receptive to the distinct or perhaps divergent interests expressed by the various groups in the regions throughout the country, and then to forge national policy which, while accommodating or taking into consideration the distinct views, will express national priorities that promote the good of all of the country as a whole. That is not what I saw at the constitutional conference.

The Minister mentioned advocacy and the exclusive right of the federal Government to legislate on aboriginal matters. The Government should have brought these groups together to discuss the points of view that were so important to each group. However, the only meetings that took place between the federal Government and the aboriginal people were to discuss agenda items, not to discuss the very basic issues that were to be considered at the constitutional conference, and then take those issues to the provincial Governments. The federal Goverment played only a moderating role. It moderated the discussions which had taken place. The guidance and advocacy by the federal Government which were most clearly needed just were not there. That is why I said at the beginning that I congratulated the aboriginal people for the way in which they were able to deal with the conference.

A number of conferences have now been put in place in the Constitution. That is what we are dealing with today, in the main. It is my hope that the process that we watched before the last constitutional conference will be distinctly changed. I believe that is the case. I am certainly advocating much more discussion between the various aboriginal groups and the federal Government on the issues that are to be considered by the constitutional conference before we bring the other participants, the Provinces, down to the actual conference, so that it will not be necessary to ask the same questions which were asked at the last one. That brings me to some other points that I think must be mentioned before the next conference.

The funding of these peoples is very important and is a problem which must be addressed in debate. When the federal Government prepares itself to go to a conference to deal with the issues in a national way, there are no restrictions on the funds that it uses or on the amount of personnel that it draws from various Departments to deal with the issues put forward in position papers. When the Provinces come to a national constitutional conference, they, as well, are under no restrictions. They do everything in their power to present views, to bring forward papers and positions, with the best people that they have in their Provinces. They do not have to adhere to specific budgets. However, when we ask the aboriginal people to put forward their position, to meet sections in the constitutional conference, the Government immediately puts restrictions on the funds. I do not think that there is an argument in the sense that they should have open-ended funding, but surely it should be adequate for them to present their position in a forthright manner, because it is so important to their future and to that of the country. I do not believe that that has taken place and I hope it will be discussed in the committee hearings before we bring this resolution back for final reading in the House.

We have noticed that there are great leaders in Canada amongst the aboriginal people. They are performing very well for their people. I watched as they negotiated positions at the constitutional conference. The process must also be very cautious to ensure that, when we are not before the cameras and the public in the negotiating rooms, where some excellent work is being done, the work is recorded properly so that we do not have to have letters, such as the Minister read. The record should be correct so all groups believe the wording can go forward. That happened at the last constitutional conference. I hope the situation can be rectified and a better system established as we move into the next constitutional conference.

• (1150)

I am very pleased to be able to participate in this debate today. I feel proud that we, as Canadians, can now discuss constitutional amendments in this Chamber and test our amending formula. We are showing Canadians that the Constitution is not rigid and changes can be made when they are sought.

I am also very pleased that our first change to the Constitution is for the first peoples, of this nation, our aboriginal peoples. I sincerely hope that we make our best effort to see that this entrenchment is made possible in the proper manner, and that the process can continue not only on behalf of aboriginal people but of all Canadians when there is a desire that it ought to take place.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I welcome this opportunity to address the House on this aboriginal rights resolution. I am taking this opportunity to speak in the absence of my colleague, the Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly), who is on the Indian Affairs Committee and has other areas of responsibility in Indian Affairs which he must deal with today. Therefore I am pleased to speak to this resolution in his absence.

I would begin by pointing out that while our Party supports this resolution we do not do so with a sense of celebration or achievement. There remains a great deal to be done since many matters have not been dealt with in this resolution. Up to this point we have achieved a fundamental agreement to continue discussions on defining aboriginal rights. That is an achievement worthy of note in the Canadian context, but we are certainly far from completing the job.

Another accomplishment worthy of note is the affirmation of the existence of aboriginal rights. This is the first time that Canadians, through their Governments and the constitutional process, have affirmed that aboriginal rights exist. We can put that part of the debate behind us and begin to discuss what those aboriginal rights are, and historically to whom those rights belong. However, even that affirmation of aboriginal rights has been tainted by the imposition of the words "existing aboriginal rights" in that clause.

While our Party supports this resolution, we are asking today for a more adequate process of discussing aboriginal rights. First, it is incumbent upon the Government to recognize all aboriginal peoples, whether Inuit, Métis or Indian. In the process of that recognition it is also necessary to recognize the uniqueness of each aboriginal group. This is of particular concern at this point in history to the status Indians in this country because, based on long experience, they are afraid that being included in a larger group of aboriginal peoples rather than as status Indians they will lose even that small amount that they have gained up to this time. Therefore, while recognizing the rights of all aboriginal peoples, it is important also to distinguish between the groups and recognize the uniqueness of each group.

This process could also be enhanced by involving the elected political leaders of the aboriginal people and the elected political leaders of the Canadian people, both provincially and federally, in ongoing discussions. The substance of these discussions should not be simply left to federal civil servants. This would not do sufficient justice to the necessary process of negotiations.

In order for this process to lead to a greater resolution of the problems now facing us, the federal Government should be willing to lay all of its cards on the table prior to First Ministers' conferences. Before any such conference the federal

Government should make its positions known sufficiently far in advance so that Indians, Inuit and Métis can study those positions and have an opportunity to give solid and well thought out feedback to the Government. It is not good enough for the federal Government or provincial Governments to take part in the process in a secretive manner. They must put all their cards on the table so that we can have a truly open discussion which will lead to the definition of aboriginal rights.

We must have an ongoing process. We cannot expect substantive negotiations to take place under the glaring TV lights of another First Ministers' conference. We all know that when politicians of whatever political stripe appear before cameras, they tend to posture and play to the audiences from the various constituences. It is crucial that the negotiations leading up to the definition of aboriginal rights continue on an ongoing basis so that the real work can be done before a First Ministers' conference is convened. This would make those conferences move like other meetings between First Ministers or heads of state which are essentially celebrations of agreement or simply the formal signing of agreements that have been negotiated before a conference. It is not good enough to leave the essential work to be done under the TV lights.

Another factor in making this process more adequate for dealing with this question concerns the provision of financial and other resources to various aboriginal groups. In order for true negotiations to take place between the federal and provincial Governments and aboriginal associations, it is absolutely crucial that the aboriginal associations have adequate resources to match those of the bureaucracies that are at the disposal of the federal and provincial politicians.

We all know that in our modern, technological society, knowledge is indeed power. Political leaders gain access to knowledge through their ability to hire experts from various fields and form them into a working team. When a political leader enters into negotiations he will have solid facts with which to back up whatever position he is taking. Therefore, adequate resources are crucial to meaningful negotiations over the definition of aboriginal rights.

Our Constitution is not simply a written document which is displayed as a poster or library artifact. The Constitution of Canada is not simply that document we call the Constitution of Canada, the Canada Act or whatever appellation we give it, having abandoned the notion or the name of the British North America Act; the Constitution obviously is that document and the rules under which we form our Governments. It is also the document by which we govern ourselves on a day to day basis. I mention this because the way we govern ourselves as a nation on a day to day basis colours the perceptions we have of the Constitution and of the Constitution negotiations affecting aboriginal peoples. It provides the context within which the aboriginal peoples come to the constitutional table.

• (1200)

I want to make a couple of references in this respect. First, the Canada Lands Act, the legislative document which virtually gives absolute power to the federal Government in terms of development of resources in the north, clearly is a constitutional document even though it was brought about through legislative means.

How can we talk about recognizing in a true sense the aboriginal rights of the native people in this country in a context in which we have already given over the governing of the natural resources in the north to the federal Government to its agencies and through that to the large corporations which seek to develop those resources in the north? Clearly, there is no real definition of aboriginal rights, particularly to those people in the north, without some meaningful access to those resources. Until those kinds of legislative actions are changed, then the fine words of an aboriginal bill of rights or of some constitutional document will have very little meaning. Native people know this and it colours the perception of what happens in the constitutional process.

As I said, the Constitution is not just the constitutional document but it sets the way we govern ourselves on a day to day basis. In the way we govern ourselves as a nation we have neglected many and most of the basic human needs of native people whether for housing, education, training or health care. All of these basic human needs have been neglected. Take employment, for example. Even the official employment statistics of Canada do not take into account employment or unemployment on reserves. This is a simple statistical measure of what is going on in the country. We all know, Mr. Speaker, that unemployment on the reserves is something in the neighbourhood of 80 per cent or 90 per cent. This applies not only to the reserves but to the Métis communities as well. It is difficult to celebrate historical constitutional agreements in a context in which the vast majority of aboriginal people are unemployed, are suffering from lack of housing, inadequate education or are frustrated in their particular need to develop themselves. But this is the context in which we are discussing the constitutional recognition of aboriginal rights.

It is not only important at this moment to call for a more adequate process in terms of how we define aboriginal rights in a document, but it is also important to call for a more adequate process as to how the various governments in Canada go about meeting the needs of aboriginal people. Let me say as well that it is not only native people who have this experience of absence of any real action to meet their needs, but this experience has become common to many Canadians. It is most clearly evident today in the totally unacceptable high levels of unemployment. As we seek to better the constitutional process as it affects the definition of aboriginal rights and as it affects the needs of native people, we must also seek to change and to better the process by which we govern ourselves so that we can meet the needs of all Canadians; for there are many today whose heeds are neglected.

Let me return to the specific substance of the resolution before us. I conclude by saying that it is worthy to note there was an agreement at the federal-provincial level to continue the discussions to seek and to search for a definition of aboriginal rights. It is worth while noting that the next to last meeting of First Ministers was able to reach an agreement as a result of

considerable pressure from public opinion that the existence of aboriginal rights must be affirmed. However inadequate these measures have been, it is worthy to note this progress. But we must also at the same time note that a great deal is left to be done. The way we do it is crucial and important. We must call for an effort to do a better job and to do more.

Mr. Deputy Speaker: Are Hon. Members rising to ask questions or make comments? If not, the Chair recognizes the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand).

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, I am pleased to participate briefly in this debate regarding the constitutional accord on aboriginal rights which was agreed to at the First Ministers' aboriginal leaders conference on March 15-16, 1983. As I understand it, this resolution will be sent to the Standing Committee on Indian Affairs and Northern Development later today where we will hear some witnesses and deal with the resolution at greater length. As the Minister of Justice (Mr. MacGuigan) pointed out earlier this morning, this is the first amendment to the Canadian Constitution to be dealt with by Parliament under the new constitutional amendment formula.

Let me say at the outset that the conference in March was itself an important first step in recognizing the sovereign status of the first nations of this continent. It was encouraging to observe the Prime Minister (Mr. Trudeau) and the Premiers sitting down at the same negotiating table as the leaders of our Indian, Inuit and Métis peoples and to see how well our aboriginal people put forward their views and how well prepared they were. I was encouraged by the reaction of Canadians right across this country who watched this conference on television and commented so positively on the participation of our aboriginal peoples.

This is how it was in our earlier history when our British and French ancestors recognized the first nations of this continent, the Inuit, the Micmac, the Montagnais, the Iroquois, the Ojibway, the Cree, the Bloods, the Sarcee, the Dakotas, the Nishga, the Dene and the Athabaskans, to mention only a few of the first nations who lived on this continent as sovereign nations and as our allies. If we look back at those earlier times when the Europeans first came to this continent and made contact with these nations we will recall they treated our first nations people as their allies and they recognized their great value as allies. This is evident in the Royal Proclamation of 1763 and in the treaty making process that was observed in earlier days, just as we have started to do again when representatives of the monarchy met as equals with the leaders of the first nations to negotiate and sign these treaties.

Since last September I have had the good fortune to work with a special committee of this House on Indian self-government. We have heard witnesses from all over this country during the last number of months on subject matters which relate very closely to the subjects discussed in this accord. During the sessions where we heard witnesses on the subject, one main theme was repeated over and over again, that the aboriginal peoples of the country wanted us to recognize their right to self-government within the Canadian federation. They are not asking us to grant the right to self-government because they feel they have had it for centuries and centuries. They want us to recognize it very clearly, not just in a statement of the Government, not just in an ordinary statute, but in the Constitution where it will be enshrined like other levels of government and protected from changes which might be made through the ordinary legislative process by one government or another that might be elected. They want the same protection for their basic aboriginal rights as the minorities in Canada would like for their human, political and legal rights.

• (1210)

The statement by the Prime Minister at the outset of the conference was extremely important. I will refer to it very briefly. He rejected the idea of assimilation of aboriginal peoples and said that we should work toward establishing distinct institutions and arrangements for aboriginal governments. While several proposals had been made concerning aboriginal government, he said that they varied from group to group, from region to region. Also the Prime Minister indicated in his statement that there was plenty of room for variation in the range of options and full scope for serious discussion. He has gone on record for entrenching these very important rights in the Constitution.

In the Constitution Act, 1981, as was already pointed out by the Minister of Justice, there were certain provisions relating to aboriginal rights. Section 25 gave a certain priority to aboriginal rights over matters in the Constitution and in the Charter of Rights and Freedoms. Section 35 recognized and affirmed aboriginal and treaty rights. Section 37 provided for the aboriginal rights conference which took place in March of this year. While those provisions were important, they had certain shortcomings which were pointed out by the leaders of our aboriginal peoples. The inclusion of the word "existing" in Section 35 has left us with a statement that is ambiguous. It is on the agenda for further consideration that that term be removed so that it is a very clear and precise statement with respect to aboriginal and treaty rights.

In addition, the Constitution Act, 1981 made no provision for a consent clause with respect to amendments or some other process whereby aboriginal peoples must be involved in a bilateral process relating to amendments. Finally, the Act did not go into detail or definition on what are aboriginal and treaty rights and how they should be more explicitly defined in the Constitution.

The Accord has dealt with some of these matters and kept others on the agenda. The Accord put forward the agreement that there must be at least three further constitutional conferences to deal with these matters. If we look at the Accord, we will note the types of things which still remain to be done—removal of the word "existing" from Section 35; a preamble which would deal with the general principles relating to

aboriginal rights; the definition of aboriginal rights; enforcement of aboriginal rights; the question of the amendment formula; self-government; repeal of Section 42(1)(e) and Section 42(1)(f); and amendments to Part III regarding equalization and the funding of aboriginal governments. Also the Accord provided for certain specific constitutional amendments, some to Section 25 and others to Section 35 of the Constitution Act, 1981. These are principally concerned with the recognition of rights set out in modern land claims or aboriginal claims settlements.

With respect to the process—and the speaker just before me went into some detail on this—I would ask the Government to be more open and more forward in its dealings with aboriginal leaders and that the consultation process be one in which there is openness and frankness in positions and in discussing those positions. I would ask the Government to adopt the spirit which was clear in the Royal Proclamation of 1763 and treat these representatives as leaders of people who have been present on this continent for thousands of years, as people who before contact with the Europeans had governments, their own laws, cultures, languages, religions and economies and never willingly gave them up.

This Accord is an important first step, but there is still much to be done. As a Member of Parliament I look forward to working with the Government and my colleagues in the House and getting on with the job.

Mr. Deputy Speaker: Are there Hon. Members who are rising to ask questions? Debate.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I appreciate the opportunity to make a few comments on this important and historic procedure. The conference between the Government of Canada and the Provinces, the constitutional partners, partners in Confederation, together with the Indian people, set in place a process through which age old questions should be answered: what are the rights of our aboriginal people and what is their relationship to the other partners in Confederation, particularly the federal Government?

The resolution reached in March did little else than establish future meetings. Section 25 of the Constitution indicates that our Constitution is not to abrogate or derogate from any aboriginal rights or any other rights. The qustion which has been with us for 220 years this coming October concerns what these rights mean. The Royal Proclamation of 1763 was very specific about some of these rights, and of course our aboriginal people are saying that the treaties and the negotiations which took place at that time and subsequently were treaties and negotiations that were carried on within or between sovereign partners or equal partners.

Let me quote very briefly one Section of the Royal Proclamation of 1763:

> And whereas it is just and reasonable, and essential to our interest and the security of our colonies, that the several nations or tribes of Indians with whom we are connected—

I emphasize the word "nations".

> —and who live under our protection, should not be molested, or disturbed in the possession of such parts of our dominions and territories as, not having been ceded to or purchased by us, are reserved to them, or any of them, as their hunting-grounds; we do therefore, which the advice of our Privy Council, declare it to be our Royal will and pleasure that no Governor or Commander-in-Chief in any of our colonies—

It continues but I do not want to spend too much time quoting these sections. This document founded the courts and is the basis of the argument which aboriginal people have laid before us throughout time in favour and in support of the fact that they have been, and still are in a sense, sovereign people under the protection of the federal Government.

• (1220)

Many different things are expressed in the term "aboriginal rights". By any definition, it clearly means the right to self-determination and self-government. This was made known to us in no uncertain terms throughout the hearings of the special task force which travelled across the country over the last year in order to advise the Government on necessary changes to the relationship between the federal Government and the Indian people. It was made clear that it also establishes the trust relationship between the federal Government and the Indian people.

That trust has been the source of much misunderstanding, misinterpretation and controversy. Trust means paternalism, a trustee and a dependent. Paternalism means dependency. It is this trust relationship that has rendered the aboriginal people in this country so dependent on the other forms of government which have taken over throughout the country, with the exception of the land which was set aside directly for the use of Indian people, namely the Indian reserves.

We have begun to look at the term "trust" and have attempted to break it down into different components. First, there is a legal trust, the basis for which is in the Royal Proclamation of 1763 and in a number of arrangements and agreements. It is part of the treaties we have entered into with the native people. It is also part of a whole range, about a dozen or so, of international agreements and convenants to which we are signatories in terms of the United Nations and so on. Therefore, there is a legal trust.

Strangely enough, reasoned decisions in our courts would argue that there is no legal trust but rather a political trust which the federal Government has with the Indian people. Not being a lawyer, I find this very strange. How can there be a political trust which is exercised by the Parliament of Canada and the Government of Canada when the people who are the dependants of this political trust cannot exercise any political power? That is overstating the fact somewhat, but before 1960 Indian people could not vote. They had no exercise of political rights. How can there be a political trust when the dependant has no control over the politician who exercises the trust?

In today's circumstances, Indian people have the right to vote, unlike the apartheid notion which we find so abhorrent in other jurisdictions. Since 960, Indian people in Canada can vote. It took a little longer in Quebec before the right to vote

was granted, but that is only 23 years ago. Now they have some political power.

What does this really mean? They are not electing themselves a government because the Secretary of State, the Minister of Public Works, the Minister of Supply and Services, the Minister of National Health and Welfare or the Minister of Labour have no jurisdiction over Indians. The Indian people do not elect themselves a government. When they vote in a federal election they elect themselves a trustee, but they have no right to name the person who is to be the trustee. All they can do is name the Government which in turn will appoint their trustee.

The Indian Act rests under the jurisdiction of the Minister in charge of Indian affairs. He is the trustee, the parent. It is on him that the Indian people of this country are dependent. He is the Minister of labour, Minister of health, Minister of education and Minister for all other services which the Indian people receive from the federal Government. Everything is channelled through this Minister, who spends $1.2 billion a year for services to Indian people.

There is no accountability to the Indian people by this Minister. You can argue all you want, Mr. Speaker, but even though the Indian people have the right to vote, they are not equal. That privilege is totally meaningless to them because they are not electing themselves a Government but a trustee, and they have no input as to who that trustee will be.

The trust can be broken down into different categories. There is the certain trust that relates to political rights, the right to vote and all other matters of a political nature. Then there is the trust that relates to the so-called social contract; health care, education, health and safety, housing and so on. There is a third category, a crucial category. It relates to the land and the resources about which the Indian people are arguing and which are guaranteed to them by the Proclamation of 1763. That is their very special right to the land and resources of all of this nation which have not been ceded to any federal or provincial powers or have not been purchased. That is the trust which the federal Government and other Governments have in terms of assuring that Indian people will always have the right to adequate resources plus an adequate land base to pursue their traditional lifestyles.

That is a promise that will be exceedingly difficult to keep. The treaties grant the Indian peoples the right to live their traditional lifestyle—to hunt, fish and gather as long as the grass grows and the wind blows and the sun shines. In a global sense, the land base and the natural resource base in shrinking very dramatically. It will be exceedingly difficult for us to live up to this trust and obligation that we assumed when we entered into the treaties with the Indian people, treaties of peace and friendship, and proclaimed the Royal Proclamation in 1763 ensuring these kinds of rights.

The committee which has been travelling across the country and holding hearings has been looking at all of these matters. There is no doubt that the new approach is crucially important. We have assumed an entirely new obligation through the patriation of the Constitution in terms of coming to grips with the definition of the term "aboriginal rights", what the trusts mean, how the trusts have been honoured and how the obligations have been satisfied.

It is the work of this committee and the ongoing constitutional conference to come to grips with that. We must restore the rights of Indian peoples, and come to grips with the definition of what these rights mean. Recommendations must be made which will lead to redressing all grievances and the fulfilment of unfulfilled obligations connected with those trusts.

I do not have to state that the social conditions are deplorable. They have earned us the condemnation of people throughout the world. They cannot understand, as I cannot understand, how it is possible to have such an important segment of the population live in such deprived and deplorable conditions. The aboriginal people do have special rights. These rights require a special relationship within Confederation and a special relationship with the federal Government. Indian people, therefore, have not been too excited by the prospect of seeing provincial Premiers sit in on these constitutional talks, because by their interpretation of the covenants and treaties we have entered into and the Royal Proclamation of 1763, it is the federal Government and indeed the Queen herself that is responsible for their rights.

• (1230)

It is the federal Government that has this special trust responsibility and it is the federal Government that is responsible for them in the sense of a "dependent nation status", so to speak. This is a term that is used in other countries, such as the United States where the idea of a domestically independent nation is entrenched in the Constitution. This gives Indian nations, for example the Navahoes, a sovereign jurisdiction within a certain framework of powers and jurisdictions, but makes them dependent on the Government of the United States for a number of things that a small and weak nation cannot look after for itself.

The courts in Canada have been mute on this subject. It has not been tested in the courts to the satisfaction of the Indian people and thee is very little jurisprudence to assist the ongoing constitutional talks and committee discussions in defining these terms. However, it is clear that the term "aboriginal rights" as it is now entrenched in the Constitution must be defined in future, not only by the courts but also through the political process.

There is no doubt in my mind that Parliament and the Government has a role to play in defining the term "aboriginal rights". What does the term mean? How will it help us to redress some of the injustices of the past? How will it help the native people of this land to achieve a standard of living and self-determination which is equitable and fair and comparable to the standards enjoyed by the rest of us in this land which is blessed with such riches and favour?

These are just a few thoughts, Mr. Speaker, that I have had on the subject. As you know, we are very much in favour of having this process accelerated and having these matters dealt

with in a most expedient manner. There is no doubt that the Indian people have a right to participate in the process that will lead to the necessary changes. There is no doubt in anyone's mind today that we must break down the paternalistic system which has rendered the native people so dependent on the white man's institutions and culture, which is in many cases alien to their own traditions and cultures. There is no doubt that Indian people must be given equity even in terms of the covenants that have been signed and the international standards to which we have agreed.

We must come to grips with the fact that Indian people have certain rights which are in addition to those that we enjoy in a democratic and free nation. These rights, of course, relate to their aboriginal rights, to the fact that the Indian people were here 8,000 years ago as we now know. At that time they had a system of self-government with their own culture and religion. The white man did not discover a virgin land. The land was populated by people with their own institutions which in most cases functioned well. These people have never surrendered the right to the land which they possessed since time immemorial, nor did they surrender the right to look after their affairs and therefore the right to self-government.

We look forward with some anxiety and with a spirit of cooperation to these talks which will begin again certainly within one year of March 16, 1983, and we in this Party have prepared ourselves to make whatever contribution possible to bring these talks to a just, reasonable and expedient conclusion.

Mr. Deputy Speaker: Are there any Hon. Members rising to ask questions? The the Chair recognizes the Hon. Member for Sarnia-Lambton (Mr. Cullen).

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, I know there are other Hon. Members who want to participate in this debate so my comments will be short. I hope to be allowed to add something to the debate today.

The Minister has indicated that as this is the first proposed amendment to the Constitution, it will be an historic occasion. I would agree with him that it will be an historic occasion, but only if the federal and provincial Governments are prepared to follow through on what is held out at the present time as great promise.

In my view, there is much in the proposed amendment to encourage native peoples but there are many things to discourage them. I would hope that the native peoples particularly would not lose patience as we in the House sometimes lose patience with the slowness by which things happen. It is probably presumptuous of me to suggest that they must have patience, because if any group has displayed that particular trait, it has been the native peoples who over the years have seen many of their rights taken away as a result of legislation like the War Measures Act and as a result of an unthinking white population that moved into areas in which they had no particular jurisdiction and no particular right.

I believe I was fortunate because very early in my childhood my parents saw fit to point out to me that our native peoples, particularly those in northern Ontario as I am from the Sudbury area, took such pride in their heritage. Hardly one occasion went by where the natives were not present putting their particular culture, their dances and their religion, on display. They taught us much about their language and the respect they had for themselves, and particularly the respect they had for their environment. So I grew up with a profound respect for our native peoples.

Subsequent to that, when I left high school I had the opportunity to live in the Northwest Territories for a couple of years where I met Inuit and northern Indian populations. Here again, if for no other reason than sheer survival, they were able to carve out for themselves a livelihood, something that we would have been hard pressed to do without the talents and skills and dedication that they brought to that particular project.

Having grown up with that kind of respect for these people, it was only natural that when I first came to Parliament I saw fit to serve as a member of the Committee on Indian Affairs and Northern Development. I could detect at almost each and every meeting of that Committee the frustration experienced by people who came before us when we would say to them: "Yes, we want to change that Section in the Indian Act that discriminates against women; yes, we want to do something but we have agreed that we will not amend the Indian Act until the whole of the Indian Act is changed." So many of the wishes and aspirations of the native peoples were crushed as a result of delay. This is one of those things that illustrates the phrase "justice delayed is justice denied".

We now have an opportunity to show good faith, and I hope that when the Prime Minister (Mr. Trudeau) and the First Ministers meet, the good feeling that is shared by all in the Chamber here today will be evident. Everybody wants to do that which is right. I hope we will see fit to do so.

I would say to the native peoples that they must remember that we are often dealing with a constituency that has no sense of history and, unhappily and all too often, very little knowledge of history. So the people of this constituency judge a situation as the result of what happened to them last week, or something they saw occur two years ago, or a bad experience as a result of one dealing with a native person. Their whole decision making process is framed around that particular type of criteria rather than the criteria of history. The history of Canada should move every Canadian person to do a little studying and reading about the splendid history of our native peoples.

I do not want to misquote, but I believe one of the Catholic Orders said something to the effect that it is better to light a candle than to stand and curse the darkness. While individual Members of Parliament, to their credit, have been lighting those candles across the country, I want to say a particular word of appreciation to the late Hon. Bob Andras who had a very short stint as Minister responsible for Indian Affairs. The statements he made 14 or 15 years ago when he held that portfolio gives some sense of the feeling he had for the native peoples and how he was trying to hurry up the process before it

became "too late", in his words. He gave us a springboard from which we were able to launch what is taking place today.

• (1240)

I do not think any of us who were in the House when the late Hon. Arthur Laing was here will forget the sense of frustration that he felt all too often when he was prepared to give local autonomy, when he was prepared to make money available and when he visited individual reserves and said: "We have to find the money to do this. We will worry about the jurisdiction later but let us get the work done. This is what the local people want so let us find the money for it." He was the kind of Minister who took the initiative.

The Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) is a former Minister of Indian Affairs and Northern Development and he has not set down the torch. He is not the kind of individual to back away from a tough assignment even when it seems particularly unpopular. I am proud to call him an associate because his heart and his mind are set on helping the people. He does not do this in a grandfatherly or patronizing way but almost as one of our native peoples. It is a pleasure to count him as a colleague in the House of Commons.

As individual Members of Parliament we must take care that abuses do not occur that would dispel the good feeling that exists in the House today. I think particularly of the War Measures Act which was used in the 1940s to move the Chippewas of the Kettle Point reserve from a great piece of property on to a very small piece of property. They were paid chicken feed for the property and some of the money they were paid was used to cover the expenses of the move. That was clearly an injustice and it took almost 40 years for the Chippewas of Sarnia and of Kettle Point to right that particular wrong. I do not think it can ever be corrected, Mr. Speaker. If it took 40 years to correct that, we can understand the frustration in the native community. Let us give them the local autonomy that Arthur Laing spoke of, but we must also give them a sense of meaningful participation in the discussions to be held in the future.

I hope the Ministers will commit themselves to making at least one major change on behalf of our native peoples at each conference. Only in this way will they be able to show good faith. It is not good enough to have one meeting and agree to have another. We are saying to the native people that we want to do something to right so many of these wrongs. We can only do this if the Ministers make the commitment to the native peoples that they will make certain that such and such a thing is done, not that they will have another meeting.

The native peoples have an awesome responsibility to make reasonable claims. I am not certain that I can define the word "reasonable". They must recognize that in order to get something through the political process, the moderates have to be convinced. If they are not moderate in their approach, they will lose the support of the people who want to help but who are at present sitting on the fence wondering which way to fall. If they are given something they can hold on to it will be easier to get things done in the future.

Money must be made available, of course. The Member of the New Democratic Party who spoke mentioned that research funds must be made available. In this day and age no one can operate without funding and the money must be made available to the native peoples as a right. It should not be suggested that there is a conflict of interest as a result of the federal Government or the provincial Government making funds available; the money should have been available to the native peoples a long time ago. If they are to be able to hire people to do the proper research and to set forth the changes that they want, then the money must be there for them.

The bands must take concerted action. It has often been complained that the native people cannot make up their minds because one group says one thing and another group says another. Of course they have different approaches, Mr. Speaker. They must make an effort toward a concerted approach, however, with the understanding that when there is a B.C. problem, a northern Ontario problem or a northern Canada problem, someone will take the initiative and the leadership. A concerted approach will be effective. If the demands are seen by the moderates in Canadian society as being strident, they will not be as effective. A concerted approach will receive support and backing on all sides of the House and then perhaps we can do something which perhaps should have been done more than 100 years ago.

Hon. Jake Epp (Provencher): Mr. Speaker, the amendment to Canada's Constitution which is before us today, has my support and I am pleased to say a few words in support of it and to offer advice on the direction that should be taken within the Department and also in preparation for the next conference.

I think it is important to call to mind the event which led us to this juncture in our history. The Special Committee on the Constitution, after much discussion, debate and compromise, agreed to incorporate into the proposal at that time an amendment which became known as the aboriginal rights amendment. Because of the lack of time today, I will not go into the history of the events that surrounded that amendment after the resolution left the Committee. Suffice it to say that, through the leadership of the aboriginal people of Canada, their supporters, and I would say the underlying goodwill and sense of fair play of many Canadians, the aboriginal rights amendment was placed back in the resolution. That was necessary and I am pleased that it took place. That event has allowed us to take what are sometimes faltering steps forward in the recognition of the rights of Canada's aboriginal citizens.

The amendment before us today does the following things, Mr. Speaker. First of all, I believe it reaffirms the entrenchment of aboriginal rights, if it needed the reaffirmation. What is needed in preparation for future conferences is discussion and a great measure of patience. All too often I think there has been a lack of patience in the dealings that take place between the aboriginal peoples, the Department of Indian Affairs and

Northern Development and various federal Governments. Despite the length of time that has elapsed in dealing with matters relating to the aboriginal peoples, patience and understanding have been lacking not only between the partners who were negotiating, but often in the larger Canadian community.

What is needed is an explanation of what is happening in terms of this amendment and, equally important, what is happening in the community of Canadians of aboriginal descent. Personally, I am enthusiastic about some of the changes I see. The stereotype image of Canada's aboriginal peoples, which unfortunately is still resident in the minds of many Canadians, must be changed. I suggest that this is the task not only of the Indian leadership but also of Parliamentarians.

I want to emphasize again that the underlying factor for Canada's aboriginal peoples, the so-called people with status, is set out in Section 91. I want to urge the federal Government and the aboriginal people to see to it that the federal responsibility as its relates to Section 91 and the Indian people of Canada remains intact. That is of paramount importance in any discussion of future changes. What this amendment does, Mr. Speaker, is put forward the fact that there will be conferences held at regular periods of time, not only to have discussion, but I hope to put the imprint of approval on discussions which took place before the conference. I am convinced, as I view federal-provincial conferences, that it is much more important to put the imprimatur on past discussions and decisions rather than it being a conference held in the light of the media where bargaining is taking place right there on the floor. We are now at a juncture where I believe we have defined at least the parameters of the areas which need discussion. What we now need to do is define the issues. I believe the First Ministers' conference, along with the aboriginal leadership, as is called for in this amendment, could verify those discussions and that preparatory work. However, I do not believe that this House is correct in emphasizing only constitutional amendments.

• (1250)

During the period of the Government of the Right Hon. Member for Yellowhead (Mr. Clark), the concentration which our Government placed on aboriginal people centered around some very practical manifestations of the fact that there must be examples or models of success, in order to start to change the stereotype which was so resident among many Canadians. The emphasis must be, surely, that while constitutional amendments are of value, while these issues are of vital importance—and my colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald) has given much leadership, for instance, on the question of Section 12(1)(b) of the Indian Act—there are matters which other Canadians take for granted in their daily lives which have to be addressed by the Department. These are decent housing; education—how can we talk about a future for Canadians if we do not stress the opportunity for education—jobs and the self-reliance and independence which comes from jobs; and opportunities, identified not always paternalistically by the Department but rather by the Indians, its leadership and its people. Therefore, Mr. Speaker, I believe, if these conferences are to be a success, between now and those dates we must show the larger Canadian community that there are models of success, that there are good things happening among Canada's Indian community.

Having said that, Mr. Speaker, I would hope that there would be that kind of attitude within the Department of Indian Affairs, as I hope will be recommended by the committee on self-government. I would like to commend the members of that committee, as well as the chairman, the Hon. Member for Cochrane-Superior (Mr. Penner). I do not sit on that committee, but generally we on this side of the House would agree on the type of leadership being given to that committee in trying to resolve problems and give advice to this House. My colleague the Hon. Member for Prince George-Peace River (Mr. Oberle) and my colleague the Hon. Member for Wetaskiwin (Mr. Schellengerger) are Hon. Members who have spent a lot of time trying to address the real issues, not only of self-government but how in a practical day to day manifestation can the aboriginal people of Canada take over the same levers of leadership which the rest of us take for granted in the communities in which we live. That has been the focus of these Hon. Members and I commend them for it. Therefore, if I can give any advice, Mr. Speaker, I would hope that the members of the Department of Indian Affairs would look at the kind of direction which the committee on self-government is giving, not as a threat to the Department but rather as an opportunity to Canadians.

I would hope that the Department would not look upon these efforts as being a threat to dismantle the Department. I am one who has been in charge of that Department for a period of time and I am absolutely convinced that we can largely reduce both the cost of administration and the size of that Department. If we truly believe in self-government, let us give it to the leadership which the Indian people are developing. Of course, there are risks, but let us do it. Let us not procrastinate any longer.

What is happening is that there are two towers of bureaucracy which have developed. One is the traditional Department of Indian Affairs bureaucracy. As the Indian leadership is developing, so is their administration developing. We have these twin towers of administration which now must be sustained. However, we will never, I suggest, have sufficient funding for housing, for education and for economic development if we sustain these two bureaucratic towers. I say to you, Mr. Speaker, let us take some of these risks. I hope over the next period of time before the next conference that the practical matter will be addressed as to how we can not only better serve Canadians of aboriginal descent, but that these people can take their rightful place in leading their own people.

The other piece of advice I would like to give to the federal Government is to suggest that it take its role seriously. At the next conference the Federal Government should not act only as chairman but should act under the responsibilities of Section 91. It should tell Canadians and Canadian Indian leaders what the Government's position is and how it sees its relationship to Canada's emerging Indian leadership. If that is done, then I

believe the amendment which we are today hopefully passing will be the harbinger of changes which all of us want to see in that community.

Mr. Deputy Speaker: The Hon. Member for Kamloops-Shuswap (Mr. Riis).

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, is it appropriate for me to say a few words in a speech as opposed to a question or a response?

Mr. Deputy Speaker: The Hon. Member has been recognized.

2020;-1 **Mr. Riis:** Mr. Speaker, I would like to thank the Hon. Member for Provencher (Mr. Epp) for allowing me to say a few brief words on what is becoming a most historical day for Canada's aboriginal people. I would like to encourage the Government to consider three or four points when it returns once again to the table with the leadership of the aboriginal peoples of Canada. I believe the Government should lay out its position clearly before the conference so that the participants of the conference will have a clear understanding of how the federal Government of Canada perceives the next number of years of this transition period.

I believe there is still a considerable amount of confusion in the minds of aboriginal people in terms of understanding clearly the present position of the federal Government, and just where the federal Government sees this process moving in the next number of years as the inevitable dismantling of the Department of Indian Affairs takes place.

I would like also to encourage the federal Government, Mr. Speaker, to recognize the differences, when it comes to concerns over aboriginal rights, between the Métis and Inuit peoples. It should recognize that not only are their concerns different, but they come to the table with different histories and different concepts of what their role in the future may be in terms of their rights.

I would like as well to encourage the Government to be sensitive to the concerns of native women's groups when it comes to discussing the concept of aboriginal rights. Too often we have seen their concerns ignored or perhaps glossed over during these very important discussions.

Also, Mr. Speaker, I would like to encourage the federal Government to ensure that the various players during this very important period of time have adequate funds for the preparation of their submissions so that, indeed, we can ensure that the highest quality of discussion takes place at these ongoing and most important meetings coming up in the immediate future.

Mr. Deputy Speaker: It being one o'clock p.m., pursuant to Order made Thursday, June 23, 1983, the motion is deemed to be referred to the Standing Committee on Indian Affairs and Northern Development.

I do now leave the Chair until two o'clock.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EDUCATION

APPLICATION OF GOVERNMENT RESTRAINT PROGRAM TO UNIVERSITY TUITION FEES

Mr. Howard Crosby (Halifax West): Madam Speaker, the six and five program was supposed to be a two-edged sword. Wages would be restricted to an increase of 6 per cent, but so would the price of goods and services; especially, the services provided by the Government directly or through agencies or funded programs.

Let us consider how university students, 500,000 strong across Canada, fared with the six and five program. Post-secondary education was one of the first victims of Government spending cutbacks. Over $100 million was sliced from the federal transfer payment in 1983. The shortfall must be recovered from private contributions and tuition fees.

This is what happened. In July, 1982, the then Secretary of State said that any increase in tuition fees would be held to the 6 per cent cap because of governmental funding. He was wrong. In Nova Scotia, university tuition fees increased on a range from 12 per cent to 16 per cent. Now Canadian university students face a second round of tuition fee increases for the 1983-84 academic year. Instead of the promised 5 per cent, some universities have already scheduled increases of 17 per cent and more; and additional expense of $150 or more for each student.

This financial burden is imposed in the face of alarming statistics related to student and youth unemployment. The Government is not only breaking its six and five promise, but it will also be throwing away the key to the future of many young Canadians.

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STATUS OF WOMEN

SUGGESTED INCLUSION IN COMMITTEES' TERMS OF REFERENCE

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Madam Speaker, this morning the Government announced a new program of affirmative action in the federal Public Service and federal Crown corporations. It announced, as well, a commission of inquiry to investigate and recommend most effective forms of its implementation. In view of this announcement, I rise today in order to highlight a matter which the Government sees as a central priority of its concern. The matter relates to the status of women in Canada.

The Government is committed to enhancing the role of women in all facets of our society. It is an ongoing and ever present commitment, clearly and unequivocally perceived. In order to ensure that this ongoing process is maintained and, indeed, strengthened, I propose the following. In view of the fact that 90 per cent of all legislation introduced into this House has a direct impact on women, and in view of the fact that all Cabinet documents now include a provision requiring status of women consideration, I propose a recommendation of the House to the Special Committee on Standing Orders and Procedures. This recommendation would constitute the requirement that all terms of reference under which parliamentary standing committees, special committees and subcommittees operate, address and provide for status of women considerations.

It is my view, and one with which all of us in the House cannot help but concur, that this additional focus on the legislative impact on Canadian women will go a long way toward meeting the Government's commitment to true gender equality in all facets of Canadian life.

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NEW EMPLOYMENT EXPANSION AND DEVELOPMENT PROGRAM

EFFECT ON INDIAN COMMUNITIES AND INDIVIDUALS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, it is not an exaggeration to say that today unemployment is the greatest threat to peace and stability in our society. It harms not only individuals but their families and communities as well. In an attempt to confront the problem, the federal government created the NEED Program. But this program has had little effect on Indian communities where unemployment soars as high as 90 per cent. It is in communities such as these where the NEED Program is most urgently required, yet it is precisely these communities that benefit least from it.

For example, wages for employees paid through the Department of Employment and Immigration are not to exceed $800 per month worked. Status Indians cannot, however, receive over $500 of NEED monies per month worked. This amounts to $300 less per month than the sum allotted to non-Indians. If this is not discrimination, I don't know what is!

Moreover, projects approved on Indian reserves are required to follow accounting, administrative, and monthly reporting procedures established for the initiative. This monthly accounting requirement, established by the Department of Indian and Northern Affairs, is substantially more onerous than that for projects approved through the Department of Employment and Immigration.

Thus, in Indian communities where unemployment is a potentially more hazardous problem than in non-Indian communities, less money has been made available to individuals, and greater obstacles to the initiation and management of work projects have been created.

S.O. 21

MEMBERS OF PARLIAMENT

TRIBUTE TO FIFTEEN-YEAR VETERANS

Mr. Maurice Foster (Algoma): Madam Speaker, I rise under Standing Order 21. I want to draw the attention of the House to the historic date last Saturday, namely, June 25, when 15 years ago, in 1968, 24 Members of Parliament were first elected to sit in this Chamber. The Class of '68 includes Party Leaders, Ministers, Privy Councillors from all three political Parties, chief Government Whips on both sides of the House, Deputy Chairmen of Committees, Parliamentary Secretaries, and Chairmen of many important House and caucus committees, all in all, a very distinguished and outstanding group of parliamentarians.

Likewise, the Right Hon. Member for Mount Royal (Mr. Trudeau) was first elected as Prime Minister on June 25, 1968, and has served in that role these past 15 years, but for a brief nine-month sabbatical.

This has been a period of tremendous development for our country—

Some Hon. Members: Oh, oh!

Mr. Foster: —in which many historic milestones—

Mr. Lewis: And the deficit.

Mr. Foster: —have been achieved by Canadians, by this Parliament and by this Government, which will ensure a better and brighter future for our children.

Mr. Blenkarn: And a $130 billion debt.

Mr. Foster: I know that all Members of the House will want to note this historic date and the outstanding contribution made to this—

Mr. Paproski: Name them all.

Mr. Foster: —to this country by the Class of '68.

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NUCLEAR ARMAMENTS

EXPLOSION OF FRENCH NEUTRON BOMB ON PACIFIC ATOLL

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, today we have learned that the Government of France has exploded a neutron bomb on an atoll in the Pacific Ocean. The French Defence Minister, Charles Hernu, told the Western German magazine, *Der Spiegel*, that if French President François Mitterand wishes production of the neutron bomb to begin, such production could begin immediately. I am raising this matter today because I want the House to know that we in this Party are opposed to this action by the French Government.

Plans by the United States to produce neutron bombs were shelved a number of years ago by former U.S. President Jimmy Carter but, in 1981, President Ronald Reagan decided

to go ahead with the neutron bomb. We in the NDP have condemned the American decision on this weapon, the so-called capitalist bomb, which is designed to kill people in scenes of mass carnage but to leave real estate intact.

We are opposed to U.S. defence plans which create more and more lethal and sneakier methods of destruction, just as we oppose plans by the Soviet Union which contribute to the arms race and to the numbers of weapons on this earth. Over all, we are critical of any Government which engages in the testing of nuclear weapons with a view to production and deployment. So it follows that the French Government is not immune from our attacks.

Let the record show that the NDP condemns this testing of the neutron bomb by France and that we are opposed also to the MX missile, the SS-20, the Trident, the Cruise, and whatever new systems may be devised. We are opposed to weapons of destruction of any kind, and believe wholeheartedly—

Madam Speaker: Order, please.

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THE HUMAN RACE

CLEAN WATER TARGET PROPOSED FOR YEAR 2000 A.D.

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Madam Speaker, the end of the second millennium is fast approaching. The year 2000 A.D. represents 2,000 years of the Christian era and will be a monumental landmark in the recorded history of mankind.

As a citizen of Canada and of the international community, I am concerned that our country should give considerable thought to how we might best utilize the year 2000 to try to resolve the recognized problems which continue to confront mankind, and to determine what solutions would best ensure that, barring natural occurences beyond man's control, the human race will continue to survive and evolve. With this end in mind, I feel that the Government of Canada should encourage the other nations of the world to work together to set goals both, at the national and international levels, focusing on improving the human condition by the year 2000. Such goals should include the establishement of suitable projects to be completed by the year 2000, both nationally and through co-operative efforts of countries around the world. One need only to reflect on such historic events as the eradication of smallpox to appreciate the symbolism.

A recommended project would be disinfecting contaminated drinking water which now exposes 600 million people to waterborne disease in depressed areas of the world. In the Third World, construction of drinking water and sewage systems would be expected to halve the incidents of disease such as typhoid, dysentery, cholera, and schistomiasis. Large-scale global efforts of this type could help to restore confidence in the international community and mankind over-all.

THE LIBRARY OF PARLIAMENT

CALL FOR CONTINUED PUBLICATION OF PAMPHLET

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, the Library of Parliament in my opinion is one of the most beautiful buildings in the world. I also believe that Canadians can be proud of the history surrounding the Library.

Until recently the Library of Parliament published and distributed a very worth-while pamphlet for its visitors. It is very sad to find that the publication has ceased to be available. I would suggest that the Government provide funds to make the publication available once again.

On many occasions I have had the opportunity to take visitors from my constituency to the Library of Parliament. In my observation, they have never abused the availability of those pamphlets. They have requested extra copies to take home to their families or to their schools.

I would suggest that a Government which can find money to print an embossed invitation to a six and five birthday party should certainly be able to find enough funds to enable the Library of Parliament to continue to make available this pamphlet on what I consider to be a very beautiful and historic building here in Ottawa.

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• (1410)

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—CONDEMNATION OF GOVERNMENT POLICIES

Mr. David Orlikow (Winnipeg North): Madam Speaker, over the past few weeks we have heard reports from a number of economic policy and forecasting institutions predicting massive levels of youth unemployment over the next several years. Most recently, Thomas Maxwell, head of the Conference Board of Canada, predicted that Canadian youth will face an unemployment rate of over 20 per cent in the next decade.

In May of this year there were 633,000 men and women between 15 and 24 years of age out of work. This represents 21.4 per cent of the workforce, an increase of 14,000 over the previous month. One of every five students who planned to return to school cannot find a job to help pay for it. Graduating students are forced to accept seasonal or part-time work, if they can find a job at all. The federal Government's feeble response is a youth job-creation program that will create fewer jobs than last year.

In the last fiscal year, federal, provincial and municipal Governments spent a total of $12 billion on education in Canada. We have encouraged youth to invest in education and career training—yet the Government and leadership of this country refuse to follow through with the long range economic planning necessary to make jobs a reality and not just a dream.

Youth and students want to work and want to contribute. They only need a reasonable opportunity to do so. The present Government offers them only fewer jobs and an economic situation which pushes them more and more into the stigma of welfare. The high rate of youth unemployment represents the unnecessary squandering of a precious national resource.

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INTERNATIONAL DEMOCRAT UNION

ESTABLISHMENT OF INSTITUTION

Mr. Dave Nickerson (Western Arctic): Madam Speaker, last Friday's launching of the International Democrat Union, an association of 22 Conservative and like-minded parties from 14 European countries together with Canada, the United States, Japan, Australia, and New Zealand proved a most important event for all those who believe in individual rights, the rule of law, and a free market economy.

The I.D.U. represents some 150 million people throughout the free world who, in the words of the Canadian Leader of the Opposition in his address to the world leaders there assembled, including Vice President George Bush of the United States, Prime Minister Margaret Thatcher of Great Britain, and West German Chancellor Helmet Kohl, hold that liberty is best preserved through less bureaucratic regimentation, less state intervention, less centralization, and more reliance on the capacity of individuals to think, to reason, and to act for themselves.

With these principles in mind the International Democrat Union looks forward to bringing about economic prosperity both to the developed and to the developing nations of the world, as the future surely belongs to the free democracies.

Madam Speaker: Order.

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HEALTH

SUPPORT URGED FOR DONATION OF BODILY ORGANS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, many Canadians are alive today because of tissue and organ donation programs. There is, however, a serious shortage of organs needed for transplant operations. As the public becomes more aware of the possibilities for cure, and with spectacular medical breakthroughs happening more frequently today than ever before, it seems inevitable the demand for organs will increase.

In Ontario alone an average of 200 kidneys are donated and subsequently transplanted each year. As of May 25 there were more than 200 people waiting for kidney transplants. An average of 500 corneal transplants are performed each year in Ontario. By the end of April, 200 such transplant operations had already been undertaken and 78 people were still waiting. At the end of May, 90 children were being treated for pituitary dwarfism at the Hospital for Sick Children.

There is a proven need for organ donors in this country. Presently, people may voluntarily sign donor cards. In all but one of the ten Provinces, that is PEI, the consent form is on the back of a driver's licence. Ontario, however, is the only Province having a government sponsored central information agency.

A recent Gallup Poll indicated only 21 per cent of Canadians have signed organ donation cards. It is very important that the remaining 79 per cent of Canadians understand the serious shortage of organs for transplant and the opportunity they have, at no cost to themselves, to give a magnificent gift of a whole life to the many who wait for their help. We here as Members of Parliament, and all the men and women across Canada, can give this gift by signing the backs of our drivers' licences, or by signing a donor card available through our family doctors.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF DELEGATION FROM THE COMMONWEALTH OF THE BAHAMAS

Madam Speaker: I would like to draw the attention of the House to the presence in our gallery of a delegation from the Commonwealth of The Bahamas, headed by its Prime Minister, the Right Hon. Sir Lynden O. Pindling.

Some Hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

GOVERNMENT RESTRAINT PROGRAM

INCREASE IN GOVERNMENT EXPENDITURES

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the Minister of Finance. The Government is continually patting itself on the back for restraint. However, Government spending rose by almost 16 per cent in 1982-83 over the previous year. This was the first year of the famous six and five program. How does the Minister account for that kind of increase when Old Age Security, family allowances, and wages paid to low income civil servants were held strictly to the six and five level?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member's statement was not quite accurate. Old Age Security payments were set at 6 per cent, but the Hon. Member will remember that the Guaranteed Income Supplement was fully indexed. For senior citizens needing the Guaranteed Income Supplement, they benefited from the full indexation relating to the cost of living.

The same thing is true for parents receiving the Child Tax Credit. In fact there was a $50 increase per child in the Child Tax Credit for families with lower incomes.

The Hon. Member might also remember that the federal Government contributed several hundreds of millions of dollars to the unemployment insurance fund. These are only a few of the programs which saw large increases resulting from the fact that hundreds of thousands of Canadians were in need of support at that particular time.

Finally, I would have to remind my hon. friend that the whole area of health support to the Provinces was fully indexed also. The cost of medicare and hospital insurance was not subject to six and five. These are some of the factors that explain the total increase in Government expenditures last year.

INQUIRY RESPECTING IMPACT ON SENIORS AND STUDENTS

Mr. Doug Lewis (Simcoe North): Madam Speaker, the Minister completely ignored the question, so I will phrase it in another way. When the non-discretionary items such as unemployment insurance, public debt charges, and transfers to individuals and Provinces are removed, the Government's spending record is even worse. When those factors are removed, it goes up 20 per cent. Can the Minister explain to senior citizens, parents, and college students why the restraint program is being fought on their backs and their backs alone?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I am sorry, but my hon. colleague must have exclusive access to some very special kind of statistics.

Once again, if the Hon. Member would take the trouble to examine the figures for public spending during the past year, he will realize that a whole series of federal programs aimed at helping Canadians who need help most were not subject to the 6 and 5 ceiling and were fully indexed. The Canadian Government did not put any restrictions on the amount it transfers to the Provinces under hospital insurance or medical insurance programs. Assistance for postsecondary education was not capped at 6 and 5 during the past year but will be in 1983 and 1984. The same applies to a host of other programs, including unemployment insurance, as I said before. I also mentioned a very considerable increase in direct job creation programs. If he would care to look at the budget for the Department of Employment and Immigration, my hon. colleague would realize that we have added well over one billion dollars for assistance to young people and adults who were having trouble finding jobs this year and last year.

Those are the main reasons why our expenditures have increased, and my hon. colleague has already referred to the fact that we had to pay higher interest payments on the public debt.

• (1420)

[*English*]

INCREASE IN PUBLIC SERVICE SALARIES

Mr. Doug Lewis (Simcoe North): Madam Speaker, if the Minister does not like my statistics, he might try this one. The Financial and Economic Policies Branch in the Minister's own Department employed 674 people a year ago. This year it employs 758, and next year it will employ 809 employees.

Our research indicates that average annual salaries have risen more than six and five in two-thirds of the federal Departments referred to in the Main Estimates. In fact in one-quarter of these Departments there has been an increase of over 10 per cent in average annual salaries. How can the Minister claim success for the Government's six and five program when, in fact, the Government itself has failed miserably itself to practise restraint? When will the Minister start practising what he and his colleagues preach?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member will realize that this Government has put forward a Bill to Parliament limiting to six and five the increases in the Public Service. That Bill was passed by Parliament, not only for checks but as a matter of fact for senior civil servants whose increases were even less than that. In some cases there were no increases at all.

An Hon. Member: That is phoney.

Mr. Lalonde: This Government put forward that Bill before Parliament. It was passed by Parliament. It has been implemented by this Government;—

Mr. Stevens: Admit it is a fraud.

Mr. Lalonde: —the law of Parliament is being implemented. The net effects have shown in the fact that we have been a situation whereby the provincial Governments have rallied to the leadership of the federal Government, as well as the municipalities and the private sector, and we have reached a situation where inflation in this country, which was 12 per cent, in May 1982 is now 5.4 per cent. This is a remarkable record.

Mr. Stevens: You can thank Reagan for that.

* * *

CANADIAN BROADCASTING CORPORATION

TIME RESERVED FOR ADDRESS BY PRIME MINISTER

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I have a question for the Prime Minister. Has the Prime Minister requested time tomorrow, Tuesday evening, from the Canadian Broadcasting Corporation, to make an address? If so, what is the amount of time which the Prime Minister has requested or has been allotted? When can we

expect the Prime Minister to unburden himself in the House of Commons rather than having him pretend that Parliament no longer exists?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it is correct to say that my office has requested time from the public broadcasting system tomorrow night, I believe some 15 minutes or so. I have decided that perhaps one period of 15 minutes is sufficient. I will not ask for three this time—

Some Hon. Members: Oh, oh!

Mr. Trudeau: —because I have been answering so many questions in the House of Commons on this subject that I think the Canadian public will get the point I am making in 15 minutes, the point being that the Canadian people have co-operated with the six and five program to the point where it has been a success, and within one year we have brought inflation down, without compulsory economic controls, from 12 per cent to 5.4 per cent.

Some Hon. Members: Hear, hear!

Mr. McKnight: Madam Speaker, I would suggest to the Prime Minister that we would gladly put aside 15 minutes of House time after three o'clock, and he can make that statement in the House.

REQUEST THAT LEADER OF THE OPPOSITION BE GIVEN EQUAL TIME

Mr. Bill McKnight (Kindersley-Lloydminster): I have a question, Madam Speaker, for the Minister responsible for the CBC. In view of the fact that the Prime Minister is receiving special and preferential treatment, will the Minister make a representation to the Canadian Broadcasting Corporation so that the Leader of the Opposition may have equal time to reply to the Canadian people, as would be his just right?

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Hon. Francis Fox (Minister of Communications): Madam Speaker, I know the Hon. Member is asking a purely rhetorical question. He knows full well that the principles governing this type of address have been clearly set out in a policy statement made by the President of the CBC not too long ago.

* * *

GOVERNMENT RESTRAINT PROGRAM

SALARIES OF CORPORATE EXECUTIVES

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is for the Minister of Finance. In the last number of days he has been very vocal in identifying the various signs of recovery. I must agree with the Prime Minister that many people in Canada have made some very major sacrifices over the last number of months to be able to participate in a recovery program in their own way. I might say it had little to do with the Government's six and five program.

Some Hon. Members: Oh, oh!

Mr. Riis: But in their own way, they made a great deal of sacrifice.

As a result the purchasing power for most Canadians has been eroded as their wage and salary settlements came in lower than the rate of inflation. However, one group has stood above this, namely, the corporate sector. When will the Minister of Finance approach the corporate sector of this country whose average settlements this past year have been in excess of 8 per cent, far above the rate of inflation? When will that sector be asked to sacrifice rather than simply give the rhetoric attached to restraint? When is the Minister going to ask for some action from this group?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I invite my hon. friend to read my speeches to the BCNI, the Business Council on National Issues, and to the Canadian Manufacturers Association. I addressed those very issues in both instances. I invited the business sector to be very careful in exercising restraint in the year to come. I was very, very clear in that regard, and I invite my hon. friend to read those speeches. He will find that in the last two months I have probably served more admonitions on the business sector than on labour in that particular regard.

Mr. Riis: Madam Speaker, I distinctly remember the Prime Minister in one of his previous addresses asking the banks to bleed a little bit. I wonder if that will be the same reaction from the executives of Canada in their response to the Minister's statement.

SMALL BUSINESS—EFFECT OF GOVERNMENT POLICY

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, I have a supplementary question for the Minister of Finance. It relates to the small business sector of this country which is still not seeing any recovery in its own areas. The small business sector is still experiencing escalating bankruptcies and is having to lay off personnel. It is simply struggling to survive. Yet the financiers upon whom small business depends are now experiencing increases in profits over last year of nearly 40 per cent. Is the Minister of Finance going to do anything about the chartered banks of Canada which are permitted to make profits in excess of 38 per cent to 40 per cent over last year, while small business is struggling to survive? Is the Minister of Finance going to do anything with regard to that problem, or is he simply going to turn a blind eye to that sector of our economy, a sector that plays such a critical role in any recovery?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, far from turning a blind eye on the small business sector, the last budget of April 19 was fundamentally geared to help small and medium-sized business. Most measures contained in that budget have a special bias in favour of small business. I

remind my hon. friend that the provisions having to do with the investment tax credit, and the provisions having to do with business losses were all proposed, with some measures that were more favourable to small and medium-sized business than to large business. These measures have been in effect since the budget was approved. I hope to be able to bring in the legislation implementing those changes in the fall, and I hope my hon. friend's Party will be very eager to support these measures.

As far as the analysis which my hon. friend is making of the situation is concerned, I think again his analysis is very selective, since the information I have from spokesmen for the small business sector is to the effect that things have been turning around for them. Indeed, there are still bankruptcies, but you have a very large number of new small businesses being created, and thanks to the lower rate of inflation and the lower rate of interest that we now have, the situation of small business is improving daily, contrary to what my hon. friend has been saying.

* * *

THE ECONOMY

PRINCIPLE OF EQUALITY

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I have a supplementary question for the Prime Minister concerning his upcoming television address. About 200 years ago in the British House of Commons, Edmund Burke, then a Member of Parliament and a great Conservative, said—

Some Hon. Members: Hear, hear!

Mr. Waddell: —that "equality was the essential principle of justice." Today in the House we gave examples of inequality in the Government's program. These were the profits of banks and corporate sector salaries. But the biggest inequality of all is the two million people who are unemployed.

• (1430)

Does the Prime Minister agree that a recovery based on inequality is no recovery at all, and that for the people who are unemployed and will be unemployed, according to his figures, for a long time we do not really have any kind of economic recovery going on at all based upon the principle of equality?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if Edmund Burke had been faced with an opposition which so tortured statistics as the Hon. Member is doing, I am sure he would have taken to television too.

Some Hon. Members: Hear, hear!

HOUSE OF COMMONS

REQUEST THAT PRIME MINISTER ANNOUNCE DATE OF CENTRAL NOVA BY-ELECTION

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, I have a question for the Prime Minister. Will he inform the House today of the date which has been set for the by-election in Central Nova?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am not in a position to do that. I intend discussing the matter with my colleagues in Cabinet this week or next.

REQUEST THAT DATE BE ANNOUNCED BEFORE SUMMER RECESS

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, I have a supplementary question for the Prime Minister. He will recall saying on June 13, 1983, as reported at page 26280 of *Hansard,* "I hope he", meaning Mr. Mulroney, "will be entering" the House "regularly, and that his Party will soon find occasion to permit him to contest a seat so that we can enjoy his presence also as a Member in the House of Commons." I believe it was on June 22 that the Hon. Member for Central Nova tendered his resignation. On that same day the seat was declared vacant. The Prime Minister knows that the final action remains with him. Can he assure us that before we rise on June 30 for the summer recess he will set the date for the by-election in Central Nova so as to give the Leader of the national Progressive Conservative Party an opportunity to win a seat in the House?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member is wrong. The final action does not rest with me. It rests with the electors, perhaps those of Central Nova, who will be in a position to decide whether or not Mr. Mulroney will be sitting in this House.

Mr. Nielsen: I find that answer rather petty.

Some Hon. Members: Oh, oh!

PARLIAMENTARY TRADITION

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, the Prime Minister knows that, pursuant to our traditions in this place, the Prime Minister usually takes the earliest possible moment to permit a leader of a national Party in the circumstances in which Mr. Mulroney is at present to win a seat in the House. It has happened in his own Party in the past, and it happened with Mr. Stanfield under his predecessor. Can we not have a direct answer to the question? Simply, will he announce the date of that by-election before we recess on June 30?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am surprised that the Hon. Member declares it to be petty that I say the electorate of Central Nova or some other constituency would decide whether or not a man or woman would sit in the House of Commons.

Some Hon. Members: Oh, oh!

Mr. Trudeau: If that is the view of the electorate held by the Hon. Member for Yukon, then I am not surprised he would judge my answer to be petty.

As to the tradition, the Hon. Member was able to quote one case. I cannot remember whether it was within days or weeks, but certainly it was reasonably soon. The intention of this Government is to announce a date reasonably soon, which incidentally would be doing considerably better than the Tory Leader of Ontario who took many, many months, I recollect, to declare a seat open so that the Leader of the New Democratic Party could contest an election. So maybe the Tories had better get their act together.

TIMING OF ANNOUNCEMENT

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, may I please have a direct answer to a very simple, direct question? Will the Prime Minister announce in the House prior to next Thursday, June 30, when we rise for the summer recess, the date of the Central Nova by-election?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I answered that in the first question. I said that I intended taking it to our Cabinet this week or next week and then we will decide what the date is. I do not think the Hon. Leader of the Opposition would want to have the House called back next week to hear a date, if that is indeed when we decide. I am telling the House that we will decide soon.

* * *

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF HIS EXCELLENCY MR. MOUSTAPHA NIASSE, MINISTER OF STATE FOR FOREIGN AFFAIRS, AND OF HIS EXCELLENCY CHEIKH HAMIDOU KANE, MINISTER OF PLANNING AND CO-OPERATION OF SENEGAL

Madam Speaker: I have the honour of drawing the attention of the House to the distinguished presence in our gallery of His Excellency Mr. Moustapha Niasse, Minister of State for Foreign Affairs of Senegal, and His Excellency Mr. Cheikh Hamidou Kane, Minister of Planning and Co-operation of Senegal.

* * *

[*English*]

HOUSE OF COMMONS

CHALLENGE TO PRIME MINISTER ON ISSUE OF BY-ELECTION DATE

Hon. George Hees (Northumberland): Madam Speaker, I would like to direct a supplementary question to the Prime Minister. Is it not simply a fact that the Prime Minister now knows that when Mr. Mulroney comes into this House he will make mincemeat of the Prime Minister?

Some Hon. Members: Oh, oh!

Mr. Hees: I suggest to him that he have some plain, ordinary, old fashioned guts and meet Mr. Mulroney on the floor of the House as he should do, and I hope will do.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the prediction about what will happen in terms of mincemeat is being laughed at because everyone remembers that when the Right Hon. Member for Yellowhead was chosen Leader of that Party, the Hon. Member for Northumberland said that he would be Prime Minister for 50 years, and I do not think that happened either.

Some Hon. Members: Hear, hear!

Mr. Hees: This time I will be very, very right.

* * *

AUTOMOTIVE INDUSTRY

RESULTS OF CANADA-JAPAN NEGOTIATIONS

Mr. Jack Masters (Thunder Bay-Nipigon): Madam Speaker, my question is directed to the Minister of State for International Trade. In view of press reports that the Minister failed to reach an understanding with the Japanese on the importation of motor vehicles, would the Minister inform the House as to the outcome of the negotiations with the Japanese? Were we able to ensure an agreement will be in place once the current interim agreement expires at the end of this month?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, the answer to the distinguished Hon. Member is that we have been able to make an arrangement with the Japanese for a mutually agreed level of restraint on the exportation of Japanese motor vehicles to Canada. That agreement will run for a nine-month period, until next March 31. That is important because it places us on the same time period as the agreement they have with the Americans. Hon. Members will remember that in the past the Japanese, because of the size of the American market, were not prepared to negotiate seriously with us when the American agreement had not expired.

The other thing I would say is that the agreement for the fiscal year—we wanted to get on the same fiscal year as the Americans—from last March 31 to next March 31 will be for 153,000 vehicles, which is the best agreement we have had yet. In view of the increase in the projected market for this year, it means that the Japanese incursion into the Canadian market for automobiles will, for the first time in some period of time, be less than 20 per cent.

Oral Questions

GOVERNMENT RESTRAINT PROGRAM

SALARY INCREASE FOR MEDICAL RESEARCH COUNCIL STAFF

Mr. Girve Fretz (Erie): Madam Speaker, my question is directed to the Minister of National Health and Welfare. Staff on the Medical Research Council, a Government agency, have received an incredible 28.4 per cent pay hike in 1983-84, and our senior citizens' pension increases are restricted to the six and five program. To me that is an incredible double standard. What steps will the Minister take to roll back this excessive increase?

[*Translation*]

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I never heard about this, and I would have appreciated it if the Hon. Member had given me advance notice of his question so I could have made enquiries. I know that the 6 and 5 ceiling on wages and benefits applies to the Medical Research Council and has been applied there as in any other part of the Government. However, I will make some enquiries, just in case.

* * *

[*English*]

CANADIAN PACIFIC RAILWAY

INCREASE IN VALUE OF SHARES—REQUEST THAT GOVERNMENT ACQUIRE EQUITY FOR INVESTMENT

Mr. Les Benjamin (Regina West): Madam Speaker, I have a question for the Prime Minister concerning Government policy. I am sure he is aware that the New Democratic Party has proposed that for any funds put forward by the Government of Canada for capital investment in Canadian Pacific rail line upgrading we take equity shares in return. I communicated that in writing to the Minister of Transport, to which he has yet to respond. Since it is a matter of Government policy, I would like to ask the Prime Minister a question.

• (1440)

Canadian Pacific Limited shares have increased in value since the announcement by his Minister of Transport on February 1, by $860 million. Since the passing of second reading of the Bill to change the Crownest Pass rate a few days ago, they have gone up another $259 million. Will the Prime Minister agree that for any funds which the Government of Canada puts up for capital investments that the taxpayers, through the Government of Canada, should be entitled to equity shares in Canadian Pacific Limited in order to get any return on that investment, the same as any other private investor?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, it is interesting to observe the false impression that my hon. friend has of the government's contribution. The Government contribution is not a favour to the railways. It is a favour to the farmers of Canada to reduce the cost of transportation of grain.

With regard do the acreage that CP inherited from settlements at the end of this century, my hon. friend would probably like to know that at the time CP received 36.4 million acres, and 24 million acres were sold to Canadian farmers at a cost of 50 cents to one dollar an acre. Most of the balance was given back to the Government, so much so that out of the settlements of the railways and the Crowsnest, CP today has less than 300,000 acres.

GOVERNMENT POSITION

Mr. Les Benjamin (Regina West): Madam Speaker, if ever there was a total evasion of answering a question, that was it. I did not ask about land grants. We can go into that later.

In light of the speculation in the shares of Canadian Pacific Limited, which have increased in value $860 million since the announcement of the Minister of Transport, and since Mr. Desmarais and the Power Corporation of Canada, who are majority shareholders, have benefited by $101 million since February 1, $30 million of that since passage of the Bill at second reading last week, does the Prime Minister think it fair and proper that, for the investment put forward by the Government of Canada on behalf of taxpayers for capital improvements, we should receive equity shares so that we can, on behalf of taxpayers, be eligible for a return on that investment?

Right Hon. P. E. Trudeau (Prime Minister): On the contrary, Madam Speaker, the Minister of Transport did answer that question in the first part of his answer when he indicated that the Crow legislation which we are debating is an assistance that is being given to farmers so that they continue paying low rates, rates which are non-economical. This is being adjusted, as we know, after many, many decades of losses by the railways.

When the Hon. Member talks about the shares going up, he should look at the stock exchange. He will find that the shares of many, many companies have been going up because there is a recovery, particularly because in transportation there are more goods moving, more exports taking place, and more production, which means more work in Canada. I do not see how the Hon. Member can interpret these facts as something that should worry his Party or ours.

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[*Translation*]

NATIONAL CAPITAL

INQUIRY WHETHER MEASURES WILL BE TAKEN TO AMEND SECTION 16 OF THE CONSTITUTION

Mr. Gaston Isabelle (Hull): Madam Speaker, my question is directed to the Minister responsible for Public Works and for the National Capital Commission. The NCC has just published a magnificent brochure for tourists visiting Canada's capital which extends a welcome to the National Capital

Region of Ottawa-Hull. Since this is a matter of national interest, Madam Speaker, perhaps I may ask the Minister whether he also intends to recommend to all his Cabinet colleagues that Section 16 of the Constitution should be amended to make the Ottawa-Hull area the national capital of Canada instead of just Ottawa, which, in fact, is being used less and less in designating the capital of Canada?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, I wish to thank the Hon. Member for his appreciative comments on the folders we have been distributing. In fact, I recommend these folders to all Hon. Members who receive visitors from outside the Ottawa-Hull area. We are trying to improve services for visitors from outside the National Capital Region. As for the Hon. Member's proposal that we should amend the Constitution, I think that, because of the time involved, we should be a little more realistic and develop the National Capital Region on both sides of the river so that Canadians visiting the Ottawa-Hull area will see for themselves that the bilingual and bicultural character of this country is alive and well.

* * *

[*English*]

INDIAN AFFAIRS

INCREASE IN DEPARTMENT'S COSTS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, my question is for the Minister of Indian Affairs. During this fiscal year when the Minister has been transferring considerable authority from his Department to Indian bands, it is astonishing to note at the same time that instead of the administrative program within his Department decreasing, it is in fact increasing over the six and five level, all the way to 8.7 per cent. How can the Minister justify those increases?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, I do not know whether the Hon. Member is referring to wages and salaries or to other expenses. If he is referring to the over-all expense of the Department, he should well know that a lot of that is governed by the actions of the provinces, and certainly in we have been endeavouring, at the urging of the Hon. Member, to increase substantially the moneys going to core funding and salaries for chiefs and band councils, which have not been raised for years and years. To correct this injustice we substantially, with the approval of my colleagues and the Prime Minister, for the first time rectified this situation and, I might say, to the gratification and satisfaction of almost every chief and band council in the country that has to administer the programs.

GOVERNMENT RESTRAINT PROGRAM

NORTHERN PIPELINE AGENCY—SALARIES OF EMPLOYEES

Mr. Dave Nickerson (Western Arctic): Madam Speaker, my question is addressed to the Minister of Energy, Mines and Resources. It is on the subject of the Northern Pipeline Agency which this year, according to the estimates filed in this House, will spend over $5 million to regulate the non-existent Alaska gas pipeline. Looking through the figures I find that the average salary paid within that organization this year will be $43,653, an increase of over 13 per cent on the previous year. How does the Minister square this 13 per cent increase for a select few senior Government employees with the so-called six and five program that he and his Government have inflicted on so many ordinary Canadians?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I have replied to some questions on this subject already. With regard to the matter of salaries, it is the first time the questions has been put in this form. I am sure that when the commission appears before the committee it will be able to answer all the questions. The Minister responsible is the Leader of the Senate, Mr. Olson. When he was in front of the committee with Mr. Sharp, they replied to all the questions. By the way, all the money paid out by this Agency is collected back from the industry. It is not costing the taxpayers a cent.

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[*Translation*]

STATUS OF WOMEN

AFFIRMATIVE ACTION PROGRAM—APPLICATION TO HOUSE OF COMMONS

Mr. Ray Chénier (Timmins-Chapleau): Madam Speaker, my question is directed to the Minister responsible for the Status of Women.

[*English*]

With regard to the statement by my colleague from London West and today's joint announcement by the Minister of Employment and Immigration, the President of the Treasury Board, and the Minister responsible for the Status of Women, on an affirmative action program, and in view of the priority commitment considerations regarding the status of women in all legislative matters, has the Minister responsible for the Status of Women undertaken any recent measures to ensure that this Government's commitment to furthering gender equality in this House is not merely met, but indeed, broadened and advanced?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, in response to the Hon. Member for Timmins-Chapleau, I repeat that this is a good day for the women of Canada. The President of the Treasury Board has announced affirmative action programs in all of the Public Service. My

colleague, the Minister of Employment and Immigration, has announced a commission of inquiry.

The Hon. Member has asked what moves we should take to make this House more responsive to the needs of women in Canada. My response is that it is time we did take affirmative action in this House. I met with several of my colleagues in the Opposition and I indicated to them that I have had some conversations with Members of the Special Committee on Standing Orders and Procedure. However, my position has been consistent and clear during that time. Becasue 90 per cent of all legislation has a direct impact upon women, the committee route is not one that I favour. I would prefer to follow a procedure similar to that which is followed with Cabinet documents.

• (1450)

Some Hon. Members: Answer the question.

Mrs. Erola: And I have written—

Madam Speaker: Order. Order, please.

ROLE OF JUDGE AS HEAD OF COMMISSION OF INQUIRY

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I direct my question to either of the two Ministers who made the announcement with regard to the appointment of Madam Justice Abella. I welcome that appointment because I am delighted to hear that somebody is finally getting on with the job of doing something about equality for women in this country.

I would like to ask the Minister of Employment and Immigration if Madam Justice Abella will be able to look into the program of affirmative action that was announced three years ago when the federal Government supposedly set up affirmative action programs in Government Departments which so far apply to only three Departments out of the total number of Government Departments and agencies. That is a disgrace. Will the appointment of Madam Justice Abella allow her to look into what the Government is not doing?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, the born again feminist from Kingston and the Islands is obviously once again out of touch.

Some Hon. Members: Oh, oh!

Mrs. Erola: Had she been present at the press conference this morning, she would have learned that that affirmative action program has been completely extended to the Public Service and is mandatory, and that the job of Madam Justice Abella is to look into the Crown corporations. I do regret, Madam Speaker, that the Hon. Member for Kingston and the Islands has not taken the time to examine what was announced this morning.

ROYAL CANADIAN MOUNTED POLICE

USE OF WRITS OF ASSISTANCE IN BRITISH COLUMBIA

Mr. Svend J. Robinson (Burnaby): Madam Speaker, my question is directed to the Solicitor General. Earlier this month a distinguished British Columbia County Court Judge, Stuart Leggatt, ruled that writs of assistance violate the Charter of Rights and Freedoms. Despite this ruling, senior officers of the RCMP in British Columbia have said that the police will continue to ignore the court decision by continuing to use these writs which give sweeping and uncontrolled powers of search and seizure. In fact, Inspector Wallace of the Vancouver RCMP has said that he has no instructions from Ottawa to stop using the writs. Will the Solicitor General immediately order members of the RCMP in British Columbia to stop flagrantly violating the law and to cease using writs of assistance as long as the decision by Judge Leggatt holding them unconstitutional stands?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, the kinds of unreasonable attacks that the Hon. Member constantly makes against the RCMP indicate, I think, why he was removed by NDP caucus consent from the role of justice critic.

I have not read the articles to which the Hon. Member makes reference, but I can tell him quite categorically what the policy is. In any Province where court decisions have overruled to use of the writ of assistance, the RCMP are not using the writ of assistance, but those cases are under appeal. In Provinces in wich decisions have upheld the writ of assistance or in which no decisions have been reached, the RCMP are continuing to use the writ of assistance.

I have indicated that the matter should be settled by the Supreme Court of Canada. We have appealed the case in which the writ of assistance has been overruled. I have indicated that I am prepared to see the writ of assistance abandoned and have suggested some alternatives which would provide, with judicial preclearance, a system for permitting the police to enter with judicial assistance in cases where it is required in drug law enforcement which would be in full compliance with the spirit of the Charter.

But as of today, I cannot order the RCMP to stop using the writ of assistance in Provinces where it has been upheld in court, because of its importance in effective drug prosecution. Many dozens of cases against alleged drug traffickers and dealers turn on evidence obtained by writs of assistance, and I am not prepared to see all of that evidence go down the drain and all of those alleged drug traffickers, dealers, and importers escape justice.

Mr. Robinson (Burnaby): Madam Speaker, I will not comment on the description given of the Solicitor General saying he was unforgivably naive, but it is the hope of the entire Parliament that he be removed from his portfolio as soon as possible.

Madam Speaker: Order, please. I am glad the Hon. Member said that he would not comment on the answer because that is not allowed at all.

PROCLAMATION OF YOUNG OFFENDERS LEGISLATION

Mr. Svend J. Robinson (Burnaby): Madam Speaker, my supplementary question is directed to the same Minister. As well, the provincial Government in the Province of British Columbia has stated that it will refuse to implement the new young offenders legislation which is scheduled to be proclaimed on October 1, citing excessive cost for extending basic rights under the Act, including the right to counsel. Despite these threats by the Government of British Columbia and the Governments of other Provinces to subvert this new legislation, will the Solicitor General assure the House and the people of Canada that he intends to proceed with the proclamation of the Bill as scheduled on October 1 of this year?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, Parliament has passed that Bill and I think there is a responsibility to proclaim it as soon as possible. The Hon. Member must bear in mind that that new regime will not work without the co-operation and support of the Provinces. In fact there are a number of additional programs that have to be introduced by the Provinces that are within their responsibility, before this legislation can be proclaimed. I do not think the Provinces should have the final say; I think Parliament should. But on the other hand, if the Provinces are proceeding in the spirit of the intention to implement the legislation, as I believe most are, then I think it is my responsibility and the responsibility of the Government to be very sympathetic to the problems that are experienced in implementing that legislation.

Dealing with the cost of implementing the legislation, there is no doubt that, under the Constitution, in the same way that it is a federal responsibility to finance federal correctional institutions, it is a provincial responsibility to finance these provincial institutions. Tremendous financial assistance has been provided in the young offender area over the years. I have indicated that we intend to maintain that assistance and increase it, but I cannot predict when satisfactory agreements will be reached with all of the Provinces. However, I can say that as long as the Provinces are moving forward in good faith to implement this major reform of the Government and of the Parliament, I cannot see myself forcing their hands on proclamation.

* * *

VETERANS AFFAIRS

INCREASE IN SALARIES OF DEPARTMENTAL OFFICIALS

Mr. Ron Stewart (Simcoe South): Madam Speaker, in the absence of the Minister of Veterans Affairs I direct my question to the Prime Minister. Our veterans, the men and women who laid their lives on the line for our country, have had their pension increases restricted to the so-called six and five program, while the bureaucrats in the Veterans Affairs Program, who have fought nothing but their desks, have received salary increases of 15.4 per cent. Madam Speaker, how does the Prime Minister justify this action? Do our veterans in the country count for 10 per cent less than do departmental bureaucrats?

Mr. Roland de Corneille (Parliamentary Secretary to Minister of Veterans Affairs): Madam Speaker, it is of course known to all Members of the House that the Government has been constantly looking after the affairs of the veterans with great concern and devotion. I would like to point out that the six and five program has not affected the allowances and the pensions of the veterans, and I think therefore that this should be kept in mind in our discussions.

* * *

EDUCATION

APPLICATION OF GOVERNMENT RESTRAINT PROGRAM TO UNIVERSITY FEES

Mr. Howard Crosby (Halifax West): Madam Speaker, my question concerns the application of the Government's six and five program to university tuition fees and is directed to the Prime Minister. I wanted to ask him this question at the six and five birthday party, but I see that it has been cancelled.

In July of 1982 the Secretary of State said that tuition fee increases would be held to a 6 per cent level. Instead, Madam Speaker, the increases rose as high as 30 per cent for the last academic year. We now face a new academic year. I would ask the Prime Minister or the Secretary of State, bearing in mind that we have put this cap on Government expenditures and that the Government contributes 85 per cent of the cost of post-secondary education, whether the Government can use the good offices of the Prime Minister and the Secretary of State to ask university administrators to limit increases in university tuition fees to 5 per cent for the next academic year, in light of the high rate of student unemployment and the fact that limited funds are available to these students.

• (1500)

Hon. Serge Joyal (Secretary of State): I should like to draw to the attention of the Hon. Member the letter I sent to all provincial Ministers of Education on January 28 this year, urging them to pass on the additional amount of money that the Canadian Government would be ready to add to the Canada Student Loans program. Last Friday this House unanimously adopted the Bill to increase the annual payment for the next two years to more than $60 million. I have received very positive answers from at least four Provinces in this regard. We are continuously making representations to the Provinces to make sure that the additional amount of money will be passed on to students and will be an increment to student revenues to make sure that they can cope with the difficult economic situation.

DISASTERS

"OCEAN RANGER"—DEATH OF THIRD DIVER

Hon. James A. McGrath (St. John's East): Madam Speaker, in the absence of the Minister of Energy, Mines and Resources I should like to put my question to the Minister of Transport. He will know that a third diver involved in the salvage operations of the *Ocean Ranger*, carrying out an order of the Canada Oil and Gas Lands Administration which comes directly under his colleague, the Minister of Energy, Mines and Resources, has been tragically lost within a week. Does the Minister intend to issue a cease and desist order, and will he issue an order that the *Ocean Ranger* be marked merely by a marker buoy so as not to pose a threat to navigation?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am sorry, I did not become involved in this because it is the responsibility of the Minister of Energy, Mines and Resources, as the Hon. Member said. He was here at the beginning of the Question Period and I will make sure he contacts my hon. friend before the end of the afternoon.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House the petitions presented by Hon. Members on Thursday, June 23, 1983, meet the requirements of the Standing Orders as to form.

* * *

SPORTS

BASEBALL—ANNUAL GAME BETWEEN MEMBERS, PAGES AND PRESS GALLERY

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I rise on a question of privilege. The press in this House is constantly questioning the abilities and competence of the Members of the House of Commons. Last Thursday evening, however, on the occasion of the annual baseball game between the House of Commons and the Press Gallery, we once again demonstrated our superior talents when six Members of the House, with the able assistance of some members of the page corps, soundly thrashed the press side 10-6, ending once and we hope for all time a three-year losing streak.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. YOUNG—SAFE DRINKING WATER

Mr. Neil Young (Beaches): Madam Speaker, I have another petition from 24 Ontario residents who state in the petition that toxic chemicals are posing an increasing threat to the potable waters of this Province and that there is presently no legislation which will guarantee the safety and health of those waters. The petition states that Canada's neighbour, the United States of America, has legislation entitled the Safe Drinking Water Act, 1974.

Wherefore the undersigned humbly pray and call upon Parliament to enact a safe drinking water Act which will protect and enhance drinking water quality in all areas of Canada.

* * *

PARTICIPATION OF VISIBLE MINORITIES IN CANADIAN SOCIETY

MEMBERSHIP OF SPECIAL COMMITTEE

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, there have been discussions between the various Parties and I believe it is agreed that the following motion might be put without debate:

That Members of the Special Committee on Visible Minorities be Messrs. Daudlin, Deniger, Kelly, Lewycky, McCauley, Crombie and Paproski.

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. 4,735, 4,855, 4,859, 4,898, 4,929 and 4,948.

[*Text*]

EXPANSION OF AIRPORT AT FORT MCMURRAY, ALTA.

Question No. 4,735—**Mr. Shields:**

1. Does the Department of Transport intend to expand the airport at Fort McMurray, Alberta?

2. Have negotiations taken place, are they now taking place or will they be taking place with the Alberta Department of Transportation concerning the expansion of the airport and, if so, on what date?

3. What are all the details of the planned expansion, including the (a) cost (b) time frame (c) extent?

4. On what date will the expansion be (a) started (b) completed?

5. Will work be done on the parking area for (a) cars (b) planes?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): 1. Yes, by providing a new air terminal building and installing associated facilities.

2. Negotiations between Transport Canada and the Alberta Department of Transportation were conducted during the summer and autumn of 1982. The strategy discussed involved provincial financing of construction costs on a partial cost-recovery basis whereby Transport Canada would pay its share of the investment back to the province over a set period. Discussions have been suspended, however, since the Province is no longer interested in the venture.

3. A new air terminal building and firehall will be built and extensive runway improvements will be carried out at a cost of more than $27 million under the federal government's Special Recovery Capital Projects Program. The terminal building and related work will cost about $24 million and will be constructed in 1985. The cost of the firehall will be approximately $1.24 million and will be completed in 1984. The runway, taxiway, and apron work will total about $1.76 million and will be completed next year.

4. The Fort McMurray Airport improvements are included in the Special Recovery Capital Projects Program and will contribute towards economic recovery and employment over the next few years. It is currently anticipated that the firehall, runway, taxiway and apron work will be undertaken in the near future with completion in 1984. The terminal building will be constructed in 1985.

5. Among the ancillary facilities provided with the air terminal building will be (a) a new parking lot for cars, (b) a parking apron for aircraft.

ASSISTANCE TO DAIRY PRODUCTION IN NEW BRUNSWICK

Question No. 4,855—**Mr. Howie:**

Since July 1, 1980, what amount was paid to farmers in New Brunswick to assist with dairy production?

Hon. E. F. Whelan (Minister of Agriculture): A total of $9,922,411 in subsidies was paid by the Canadian Dairy Commission to dairy farmers in New Brunswick.

MARINE BIOLOGICAL RESEARCH STATION, NEW BRUNSWICK

Question No. 4,859—**Mr. Howie:**

1. As of April 1, 1983, how many persons were employed by the Marine Biological Research Station at St. Andrews, New Brunswick?

2. What was the operational budget of the station for the fiscal year (a) 1980-81 (b) 1981-82 (c) 1982-83?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): 1. There are 98 continuing full time (CFT) employees, and two term employees for a total of 100.

2.

Fiscal Year	Salaries	Operations & Maintenance	Total
1980-1981	$2.7 Million	3.3 Million	6.0 Million
1981-1982	3.2 Million	3.2 Million	6.4 Million
1982-1983	3.1 Million	2.8 Million	5.9 Million

EXPORT PERMITS

Question No. 4,898—**Mr. Heap:**

During (a) 1981 (b) 1982 (c) 1983, were export permits issued to Geometrix Ltd. and Sisman's Shoes for export to the United States or El Salvador and, if so, for what type of product and for which final destination?

Hon. Gerald Regan (Minister of State (International Trade)): The records of the Export Control Division, Department of External Affairs, show that no export permits were issued in 1981, 1982 and 1983 to Geometrix Ltd. and Sisman's Shoes for the export of controlled gods to El Salvador or to the United States. It should, however, be noted that unless nuclear goods are involved, under the Export and Import Permits Act (EIPA) and its regulations, export permits are not required for exports of otherwise controlled goods when the final destination is the U.S.A.

RAILWAY SERVICES—SUDBURY BASIN AND WINNIPEG

Question No. 4,929—**Mr. Benjamin:**

1. In (a) 1980 (b) 1981 (c) 1982, what was the frequency and amount of lateness of VIA Rail trains which operated on CN and CP rail lines between the Sudbury basin and Winnipeg?

2. Under what arrangements is Canadian Pacific Limited meeting its obligations under Section 262 of the Railway Act to provide suitable and adequate accommodation for express traffic offered for shipment at points between Sudbury and White River?

3. Have certain railway stations been replaced by unheated passenger shelters at locations on CN and CP rail lines between the Sudbury basin and Winnipeg since 1977 and, if so (a) at how many locations (b) what were the names of such locations?

4. Did the Canadian Transport Commission monitor or investigate the railway companies to determine whether they are fulfilling their obligations under Section 262 at points between the Sudbury basin and Winnipeg?

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): The Canadian Transport Commission advises as follows:

1. See table below.

2. The obligation under Section 262 of the Railway Act for the accommodation of express traffic between Sudbury and White River is being met in accordance with the requirements of Order in Council P.C. 1981-2171 dated August 6, 1981. During the off-peak period of the year, local passenger, mail and express services are provided on the transcontinental passenger train service and during the peak period the same service is provided by tri-weekly local passenger trains 185 and 186.

3. On CN line between Sudbury and Winnipeg authority has been granted to replace the stations at Caramet, Hillsport and Gomaga with an unheated shelter. Since 1977, no station on CP line between Sudbury and Winnipeg has been replaced by an unheated shelter.

4. Monitoring of all aspects of rail service is performed as an adjunct to other duties. Any deficiencies noted or brought to

the Commission's attention are acted upon to ensure suitable and adequate accommodation for traffic.

The table below indicates the frequency and lateness of VIA Rail passenger-trains operated on CP and CN rail lines between the Sudbury basin and Winnipeg for the years 1980-1981 and 1982.

	1980 Frequency %	1981 Frequency %	1982 Frequency %
Train No. 1 (CP)		Sudbury - Winnipeg	
On-time	186 - 51%	316 - 87%	305 - 84%
6" to 15"	31 - 9%	9 - 2%	18 - 5%
16" to 30"	31 - 9%	10 - 3%	14 - 4%
31" to 1 hour	117 - 31%	10 - 3%	6 - 1%
Over 1 hour	Nil	20 - 5%	22 - 6%
Train No. 2 (CP)		Winnipeg - Sudbury	
On-time	143 - 39%	288 - 79%	299 - 82%
6" to 15"	17 - 5%	18 - 5%	9 - 2%
16" to 30"	28 - 7%	20 - 6%	9 - 2%
31" to 1 hour	177 - 49%	21 - 5%	14 - 5%
Over 1 hour	Nil	18 - 5%	34 - 9%
Train No. 185 (CP)		Sudbury - White River	
On-time	150 - 88%	70 - 43%	29 - 73%
6" to 15"	Nil	7 - 4%	Nil
16" to 30"	2 - 1%	16 - 10%	2 - 5%
31" and over	18 - 11%	71 - 43%	9 - 22%
Train No. 186 (CP)		White River - Sudbury	
On-time	153 - 90%	99 - 61%	31 - 78%
6" to 15"	Nil	6 - 4%	7 - 17%
16" to 30"	2 - 1%	17 - 10%	2 - 5%
31" and over	16 - 9%	40 - 25%	Nil
Train No. 3 (CP)	June 8 - Sept. 28	Sudbury - Winnipeg	
On-time	51 - 45%	Nil	Nil
6" to 15"	9 - 8%	Nil	Nil
16" to 30"	14 - 12%	Nil	Nil
31" and over	39 - 35%	Nil	Nil
Train No. 4 (CP)	June 8 - Sept. 28	Winnipeg - Sudbury	
On-time	19 - 17%	Nil	Nil
6" to 15"	13 - 11%	Nil	Nil
16" to 30"	11 - 10%	Nil	Nil
31" and over	71 - 62%	Nil	Nil
Train No. 3 (CN		Capreol - Winnipeg June 1 - Oct. 24	
On-time	Nil	78 - 53%	Nil
6" to 15"	Nil	15 - 10%	Nil
16" to 30"	Nil	15 - 10%	Nil
31" and over	Nil	38 - 27%	Nil
Train No. 4 (CN)		Winnipeg - Capreol June 1 - Oct. 24	
On-time	Nil	54 - 38%	Nil
6" to 15"	Nil	11 - 8%	Nil
16" to 30"	Nil	15 - 10%	Nil
31" and over	Nil	65 - 44%	Nil
Train No. 7 (CN)		Capreol - Winnipeg	
On-time	175 - 68%	236 - 73%	122 - 78%
6" to 15"	16 - 6%	22 - 7%	8 - 5%
16" to 30"	15 - 6%	17 - 5%	2 - 1%
31" to 1 hour	16 - 6%	9 - 3%	7 - 5%
Over 1 hour	37 - 14%	36 - 12%	18 - 11%
Train No. 8 (CN)		Winnipeg - Capreol	
On-time	121 - 47%	200 - 65%	94 - 60%
6" to 15"	17 - 7%	20 - 6%	13 - 8%
16" to 30"	36 - 14%	24 - 8%	10 - 6%
31" to 1 hour	37 - 14%	15 - 5%	12 - 8%
Over 1 hour	49 - 18%	49 - 16%	27 - 18%

EXPORT DEVELOPMENT CORPORATION

Question No. 4,948—**Mr. Nowlan:**

1. Did the Export Development Corporation receive an application for a loan or loans to Telecommunications d'Haiti S.A., also known as Teleco, or Telephone Continental Limitée of Henriville, Quebec, since 1967 and, if so (a) on what date (b) for a loan or loans of what amount (c) to be used for what purpose?

2. Was any such loan application turned down in 1970 or thereabouts and, if so, for what reason?

3. Apart from the companies mentioned in part I, what other persons and companies were mentioned in the applications or known by the EDC to be associated with the applicants and what were their addresses?

4. Who owned Teleco and Telephone Continental Limitée at the time the application was made?

Hon. Gerald Regan (Minister of State (International Trade)): Export Development Corporation states that:

As a matter of general policy EDC does not disclose its participation in a direct lending transaction in respect of an export transaction until the financing agreement therefor is signed. Since information on bids, participation or negotiations is given at the application stage by exporters to EDC in confidence, EDC, to respect that confidence, refrains, until the sale arrangements are final, from discussing a deal or even from indicating that it has been approached in a transaction. EDC has not made a loan or loans to Telecommunications d'Haiti S.A. or another foreign customer in Haiti since 1967.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if question No. 4,801 could be made an order for return, this return would be tabled immediately.

[*Translation*]

Madam Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that question No. 4,801 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

CONSULTANTS EMPLOYED BY DREE

Question No. 4,801—**Mr. Howie:**

1. Were outside consultants employed by the Department of Regional Economic Expansion in the fiscal year (a) 1981-82 (b) 1982-83 and, if so, how many and what was the total amount paid?

2. Were any consultants paid more than $20,000 and, if so, in each case (a) what was his/her name (b) what was the amount (c) what services were provided?

Return tabled.

[*English*]

Mr. Taylor: On a point of order, Madam Speaker, I should like to ask the Parliamentary Secretary when I will get an answer to question No. 2,329 which was filed in April, 1981. I notice that the Parliamentary Secretary is now up to questions numbered in the 4,000s. When will we receive an answer to

No. 2,329? Is the Government trying to hide something or why can I not get an answer to this simple question?

Mr. Smith: Madam Speaker, a Government that has answered over 4,160 questions in one session is not trying to hide anything, and a Government that has passed the Access to Information Act is not trying to hide anything. I want to assure the Hon. Member that I will be delighted to convey his concern to the Minister. I will see what I can do to expedite an answer.

Mr. Taylor: Madam Speaker, the Hon. Member has been delighted seven times now. I wish he would get the answer and let me be delighted.

Mr. Smith: Madam Speaker, each time it is an even greater joy and I look forward to the next occasion.

Mr. Stevens: Madam Speaker, I have a point of order. As the month of June is running out, I know that the Parliamentary Secretary is very anxious to give us the benefit of answers to my questions. These concern the many trips that the emperor, the Prime Minister, has taken to the various parts of the world. I should like to know what these cost and how much of that cost the Canadian taxpayers will have to share. Can the Parliamentary Secretary assure us that we will have that answer before June 30?

Mr. Smith: Madam Speaker, I had two questions along the same lines from Conservative Members last Thursday, the Hon. Member for Leeds-Grenville and the Hon. Member for Winnipeg-Assiniboine. I advised them that as soon as I get an answer from the Minister it is tabled in the House. The Hon. Member for Leeds-Grenville then decided she would put the question directly to the Minister. There is nothing to prevent the Hon. Member for York-Peel from doing the same thing. If he wishes to put question directly to the Secretary of State for External Affairs, he may do so.

I will convey his concern again and as soon as I get an answer I will table it.

[*Translation*]

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

Some Hon. Members: Agreed.

4237

GOVERNMENT ORDERS

[*English*]

INDUSTRIAL AND REGIONAL DEVELOPMENT ACT

MEASURE TO ESTABLISH

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion) moved that Bill C-165, an Act to provide for financial assistance for industrial development in all regions of Canada, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Madam Speaker, it is my pleasure today to discuss Bill C-165, which provides a program for financial assistance to business and industry in all parts of Canada.

I apologize to my colleagues and to the *Hansard* reporters for my voice, Madam Speaker; I hope it does not fade too much before the end of my 20 minutes.

Let me begin by saying that the purpose of the Bill is very simple: it is to create and maintain long-term employment for Canadians from coast to coast. The program which will be authorized under the Bill is the Industrial and Regional Development Program which is being presented after much study by the private sector, by officials, my Cabinet colleagues and by Members of Parliament on both sides of the House.

Since the Prime Minister (Mr. Trudeau) announced in early 1982 the reorganization of economic departments of Government which will result in the new Department of Regional Industrial Expansion, we have examined the need to ensure regional industrial development and the existing array of industrial support programs that have been available in DREE and ITC. The reasons were the same as those which spurred the decision to reorganize. There is a need, on the one hand, to rededicate ourselves to combating regional disparity in Canada and, on the other hand, we must ensure that industrial restructuring programs are actually geared to meet the circumstances which face Canadian industries in today's very competitive world market.

• (1510)

Regional disparity still exists in Canada despite the successful efforts of the Department of Regional Economic Expansion which was launched some 14 years ago. These disparities not only place hardships on individual Canadians, but they also place a strain on the national fabric and detract from our ability to move forward as a unified nation in the pursuit of our common goals.

Combating regional disparity is difficult even in good economic times. With the onset of the recent world-wide recession, times have not been good. If it is difficult to offset regional disparities in times when our traditional industries in the industrial heartland are enjoying a period of strength, it is much more difficult in the period when, because of world-wide downturn, those traditional industries are suffering from soft markets, stiff international competition, rapid technological change and rising protectionism from the countries which make up our market. These circumstances demand a concerted action on the part of all Canadians, Governments at all levels and the private sector, both management and labour. With the reorganization of federal economic departments and the introduction of programs such as that contained in this Bill, the Government is trying to play its part in this concerted action.

The program outlined in this Bill has a number of features which are clearly recommended to the business community, to the Canadian public and to Hon. Members of Parliament. First and foremost, let us recognize that this program provides

for the first time a regionally sensitized, multifaceted program of industrial financial assistance in all parts of Canada. I believe that is a point which has not been adequately emphasized in discussion of the program to date. This is not a program available only in certain designated regions; whatever riding any Hon. Member of this House represents, his or her constituents will be eligible for assistance under this program.

Another feature of this program is its flexibility. It is specifically designed to provide the type of assistance which is appropriate to a given industry, area or community at a given time. Hon. Members of this House well know that these needs vary greatly by region, by sector and over time in Canada. We have areas where the need is for greater investment and infrastructure in order to permit industries to establish and grow. We have areas where the need is for industrial diversification, the establishment of new plants or the launching of new product lines. We have areas and industries where the need is for innovation, to improve competitiveness.

These are more than needs. They are also tremendous opportunities, Mr. Speaker. They are opportunities to expand into the revolutionary growth industries of the future and opportunities to apply the benefits of technology and other innovations to virtually all of our existing industries in all parts of Canada, thus to ensure long-term viability and growth. We have great opportunities, through aggressive marketing techniques, to expand the international and domestic market for Canadian goods and services. This program addresses these needs and opportunities.

The program, Mr. Speaker, has yet another significant feature. In addition to the provisions I have listed, it adds a powerful new weapon to the federal Government arsenal in the continuing fight against regional disparity. The program recognizes not only the varied needs and opportunities of Canada's many regions, but also the levels of financial assistance required for effective industrial development across those regions. This program renews and renders more effective the commitment to regional economic development which underlay the establishment of DREE in 1969. It provides for the first time the levels of financial assistance specifically tailored to the level of disparity of the area concerned. Here we are not talking about broad geographic areas; we are talking about areas as small and specific as can be defined, using consistent, meaningful data which is available on a national basis. The method of using the data will be equitable, objective and subject to automatic regular review. It will provide the country's first consistent measure of regional disparity in Canada.

The mechanism I am referring to is the development index which uses data on employment, personal income and provincial fiscal capacity in order to provide a clear measure of the relative need for assistance. It will be applied to areas as small and specific as a single census district. Using the development index, areas of Canada are arranged at four levels or tiers of regional need. The first tier in which the basic level of support under the program will be provided contains the most developed 50 per cent of the population of Canada where there is a substantial need for industrial restructuring. In this tier, for example, financial assistance of up to 50 per cent of costs for innovation of marketing activities will be provided and up to 25 per cent of modernization and expansion costs. There are three other tiers with increasing levels of support. For instance, in Tier IV areas, which contain the 5 per cent of the population living in areas of greatest need, the maximum level of support of the program is provided. Here, for example, up to 60 per cent of cost for plant establishment may be provided.

Since I first proposed this program during the budget debate, there have been several refinements to it. One of these refinements refers to the tier system. In any Tier I area where the unemployment ratio exceeds the national average by 1 per cent for any consecutive six-month period, that area will be provided with the next higher, or Tier II, level of assistance for establishment for one year. This is to provide for those instances where, for example, a cyclical downturn affects an area in the short term in a way which would not show up immediately by applying the development index, but where a short-term, although very real economic hardship nonetheless dictates a need for increased assistance. That is another example of the flexibility which is designed into this program.

In summary, Mr. Speaker, the program provided for in this Bill, the Industrial and Regional Development Program, has been very carefully designed, after much consultation with the private sector and much discussion with my colleagues, to meet the general and specific goals of regional and industrial development in all parts of Canada. It provides for support over the whole range of industrial development needs, industrial infrastructure, industrial innovation, plant establishment, modernization, expansion, marketing and industrial restructuring or renewal. It provides support for these activities when and where they are needed in Canada. It provides for effective regional development by instituting a strong incentive to Canadian firms to invest in those areas of Canada which are in the greatest need of that investment.

I wish to remind Hon. Members that we have devised an organizational structure in the new department which will put the regional sensitivity and flexibility of this program into practice at the local level. We have been moving to put into place an organization based on decentralized expertise, decision making and local program delivery. We have combined the industrial sector expertise from ITC with the regional capacity of DREE. We have established regional offices in all Provinces, several new sub-offices, and more will open in the future.

We are working to establish a "one-stop shopping" approach to the Government assistance for business in our local offices. The local decision and delivery capacity of these offices should speed up the processing of applications significantly. The chief role of these offices is to make the Government services more widely available to businesses, particularly small and medium-size entrepreneurs. No longer will the business community have to travel to Ottawa to have access to federal information and assistance. The role of the people staffing these offices will be to get to know the business community and act as its advocate with the federal Government. They will take an

active role in informing firms of available Government support, all of which, incidentally, will be available locally for the first time.

I have said, Mr. Speaker, that the new Industrial and Regional Development Program was devised with the benefit of consultation with the private sector. Let me assure the House that its implementation will be carried out in the same way. When referring to the private sector, I would like to reiterate that I mean business management and labour. I firmly believe, as the Minister of Finance (Mr. Lalonde) stated in his budget, that in order to achieve our goals we must have the active participation of all the players in the game. For these reasons we will administer the new program, and indeed all programs of the Department, with the benefit of advice from the Industrial and Regional Development Board which will be co-chaired by representatives of management and labour, with membership from each group. The board will also have appropriate regional representation in its membership. By advising the Government, through our Department, on broad policy issues, the board will have an effective instrument to ensure the Government's industrial policy and programs are based on a broad consensus.

Another means to assist this effort, as Hon. Members will be aware, has been a move through our Department to establish sector-specific task forces or advisory committees, once again co-chaired by both management and labour. The efforts of these task forces will be of great benefit in terms of establishing our goals and strategies as far as the key industrial sectors are concerned.

• (1520)

Before concluding, I want to make clear the status of the general development agreements which have been administered by DREE. When the new structure for economic development departments was announced, there was some speculation as to the future of the general development agreements, or the GDAs, as Hon. Members call them, that were negotiated between DREE and the Provinces. I want to make it clear that those agreements are still in place and that subsidiary agreements will continue to be struck with the Provinces. GDAs will continue until their expiry in 1984 and negotiations for new agreements to replace them will take place in due course.

The administration of GDA activities has changed, however. Instead of a single Department, DREE, being responsible for administrative activities under the GDAs, this activity is now implemented by the various appropriate federal departments, including our Department, under the over-all co-ordination of the Ministry of State for Economic and Regional Development.

I firmly believe that what I have described today amounts to a major step forward in the rationalization, simplification and perfection of the federal Government's approach to both regional and industrial development objectives. I believe Hon. Members on both sides of the House have good reasons for supporting this exciting new Bill. At a time when some 1.5 million Canadians are unemployed, a concerted effort is needed for strengthening our industries. That need will increase as we strive for economic recovery in a world of rapid technological change and extreme competition. I believe it is timely, as the economic recovery takes hold, that we are proposing an improved method to ensure that our industrial strength increases in all parts of Canada.

Canadians who are watching the deliberations of the House I am sure will support me when I ask that we proceed with the Bill and get on with the job which must remain our first priority, that of creating meaningful and rewarding employment in all regions of Canada.

I would ask unanimous consent of the House, Mr. Speaker, to refer the Bill to the Standing Committee on Regional Development, rather than what was originally proposed by my colleague the House Leader, that it be sent to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Deputy Speaker: Is there unanimous consent by the House that the Minister be allowed to amend his motion to refer the Bill to the Standing Committee on Regional Development?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

Mr. Waddell: I rise on a point of order. I am not sure whether questions are allowed in this period, and I just wonder if the Minister would permit a question.

Mr. Lumley: Yes.

Mr. Waddell: The Minister spoke of decentralization. It has been written about the Bill that the Government's nose was put out of joint when its polls revealed that most Canadians were not grateful to the federal Government which was providing industrial help to the regions, so that from now on the Government is determined to get a greater share of the limelight.

Would the Minister in fact agree with the words of the Minister of Employment and Immigration (Mr. Axworthy), who said: "We want to move in on the West like the little bird that sits behind the elephant's ear"? Would the Minister agree that this, in fact, is not a decentralization measure at all, but rather a centralizing measure in the sense that the Government will have a larger role in directing the pattern of industrial growth in Canada, and hence will have more power? This really is not a decentralizing Bill at all. It is a centralizing Bill to give the federal Government more power and more credit for what the Government has been doing in giving money to different parts of the country.

Mr. Lumley: Mr. Speaker, I first want to say that I am pleased to answer the Hon. Member's question. As a matter of fact, one of the reasons I cut down my speech was to have more time for questions. With respect to the matter of the poll, I have no knowledge of that poll nor have I ever seen anything

like it. Further, I am not aware of what Mr. Tom Axworthy said in this regard.

Let me say that we on this side feel very strongly, and I guess I feel very strongly on a personal basis, both as the former Mayor of a city which had the highest unemployment rate in Canada and as a former small and medium-sized entrepreneur, that it is very frustrating for small and medium-sized businessmen to obtain assistance out of Ottawa, because no matter what region of the country one comes from, one does not have the time or the money to come to Ottawa on a regular basis to find out what kind of assistance is available.

If one really wants to solve the problems of regional disparity in the country, one must take all of the economic tools of the Government to each region of the country. Until the Bill was introduced, neither the programs of the old Department of Industry, Trade and Commerce nor of the Department of Regional Economic Expansion were available to every part of the country. In some parts of the country only the DREE program was available and in other parts of the country only the IT&C programs were available. Therefore, we have taken the best of the programs of those two former departments and combined them into the one program called the Industrial and Regional Development Program which is being introduced today.

The other aspect is that we could not deliver these programs on a regional basis to reach out to the small and medium-sized entrepreneur because we had a totally unmanageable number of programs in the Department. It was unmanageable even here in Ottawa, where there were 2,000 to 3,000 people to administer them. Therefore, it was obviously impossible to have them delivered by the regional offices.

Therefore, we undertook what I called the "crunching" exercise to reduce over 100 programs into seven major programs. This program is one of those seven major programs and it will constitute approximately one-half of the total budget of the Department. Therefore, for the first time we will indeed have not only decentralized delivery, but also decentralized decision-making in terms of the vast majority of the applications that will be coming forward from the private sector in each region of the country.

Mr. Taylor: Mr. Speaker, I wonder if the Minister would expand on the population features in Tiers I, II, and III. It appears to me that this limitation of population in each may disqualify areas that are otherwise very, very needy. What is the actual purpose of the population requirement in Tiers I, II and III?

Mr. Lumley: Mr. Speaker, as the Hon. Member knows, the only areas that are now designated under the DREE program are by provincial boundaries or, in the case of B.C. his Province and my Province, the northern parts of our Provinces.

In essence, with respect to areas comprising almost 50 per cent of the population of the country, industries located in those areas are not now eligible for financial assistance under the old RDIA program. In essence, we will not take the 50 per cent which is the most developed part of Canada and ensure that it will have financial assistance for any company that wants to undertake modernization, expansion, innovation, design research and development, marketing or industrial renewal. Then we will take the 50 per cent of the country which is least developed and break it into three specific tiers, Tier IV being the bottom 5 per cent in terms of economic development in Canada. In turn, it will have the most enriched part of the program. We will then take the product cycle and the life cycle of a company and enrich the financial assistance, depending on in which of those four tiers a company is located. There is only one difference between the tiers outside of the degree of enrichment. For example, maximum assistance for modernization or expansion starts at 25 per cent of eligible capital costs for Tier I, 35 per cent for Tier II, 50 per cent for Tier III and 50 per cent for Tier IV.

The one element that is not available to the most developed part of the country is the new establishment. That has traditionally belonged to what we call the DREE-designated areas. In other words, if we allowed new companies in the most developed part of Canada to receive financial assistance, there would obviously be no reason, no justification whatsoever, for these companies to locate in the so-called disadvantaged areas of the country. That is the only element not included in each tier. It is important for Hon. Member's to realize that for the first time it is not a question as to whether one is designated or is not designated, but rather a question as to the degree of enrichment for which a Member's riding is designated. Previously, if a riding was not designated, that means a Member's companies could not receive any financial assistance. From now on, they will receive financial assistance, but the enrichment will depend on the degree of economic disparity.

Mr. Taylor: I would like to ask a supplementary question. I understand what the Minister is saying, but say that I have an area that has 10 per cent of the population of the Province and it is a very needy area. Will it be disqualified under Tier I simply because of its population?

Mr. Lumley: I am sorry, Mr. Speaker, but I did not understand the whole question of the Hon. Member. We have taken the 260 census divisions from Statistics Canada, and we will use that as a basis for determining the regions for assistance. Then we have taken three major criteria: unemployment, disposable income and fiscal capacity of the respective Province. Then we have weighted those three because they are obviously not all of equal importance. As well as weighing those three criteria, we divide the country into the top 50 per cent or bottom 50 per cent of economic activity. Then we break down the tiers, the lowest developed 5 per cent is Tier IV, the next 20 per cent is Tier III, the next 30 per cent is Tier II and then the bottom 50 per cent, which is Tier I. It may be that some Hon. Members might have two or three census divisions in their constituencies. They may have a census division that is a Tier II, a census division that is a Tier I and a census division that is a Tier III. That sounds very complicated but it will really be very simple because of the index. If any Hon. Member wants to find out what tier any town or city in

his constituency is in, or what census division it is in which, in turn, tells which tier it is in, it just takes a telephone call to the regional director and that can be established for every city and town right across the country.

• (1530)

The other major element that is different from when it was first raised in debate resulted from the difficulty Members from all Parties in the parliamentary committee had with the cyclical problem. In other words, a city the size of 100,000 population could lose two or three industries in a very short period of time. That would have a dramatic impact on the employment situation, yet those statistics would not show up for two or three years in the development index and that community would have been graded among the most developed regions in Canada in the initial evaluation. That is why we injected an unemployment clause which we call Tier I. For any region in Tier I that is for six consecutive months 1 per cent over the unemployment figure will automatically classify for the Tier II degree of enrichment regarding new establishment.

Mr. Hees: Mr. Speaker, I have a question for the Hon. Minister. First, I would like to congratulate him on what I consider a very constructive program, one that has long been needed. I am glad that he finally has all of its parts together and has come out with a concise program. As Members of Parliament, we will immediately want to know, so that we can pass on the information to our ridings, what degree of help could be available to the various parts of the riding and the riding as a whole, or if there will be a variation from one part to another and what those variations will be. As well, to whom in his Department should we direct our inquiries on behalf of our ridings so that we can get a concise answer to send to our riding press so they can, in turn, advise the various parts of the riding what assistance is available to them?

Mr. Lumley: Mr. Speaker, I accept with gratitude the Hon. Member's compliments with respect to the program, particularly since it comes from such a distinguished Member of the House.

With respect to each riding, the lists are already made up of tiers for each part of every Member's riding. These could be distributed this afternoon but they will be distributed tomorrow, assuming we get concurrence in the House to refer this Bill to committee, which I understand is forthcoming. It will be referred to members of the Regional Development Committee tomorrow.

I can tell the Hon. Member right now what tiers his constituency is in. The Hon. Member can call me and I will take care of it myself rather than someone on my staff.

Mr. Cullen: Mr. Speaker, in his comments the Minister made reference to the task force. There has been remarkable success with a majority of these task forces but sometimes the very volume has necessitated a delay in the immediate follow-up that one might require or feel appropriate.

Recently, in response to my question, the Minister was kind enough to answer that a Mr. Bolger and Mr. Reimer would head a special task force on the petrochemical industry. First, I assume from the chairmanship that it will be made up of management and labour. Will civil servants be sitting on that particular task force or will they be there as observers? Could he tell us when he anticipates this task force will be meeting?

Mr. Lumley: Mr. Speaker, I apologize to the Hon. Member. I was supposed to call him this morning but I forgot. The task force has been assigned. All those who have been asked to serve have agreed to do so. They will be holding their first meeting here in Ottawa tomorrow morning. Members of my Department, Energy, Mines and Resources, and, I believe, two other departments will be sitting as observers and will be available as a resource when necessary. It is not a Government-led task force but an industry-led task force. As it has been with all other task forces, our people are there to assist the private sector members in any way they deem appropriate.

Miss Campbell: Mr. Speaker, my question to the Minister concerns the development index and his reference to the Statistics Canada 260 census districts. Under the Unemployment Insurance Act, Statistics Canada presently uses economic zones. Is that the same idea behind these 260 census districts? If so, there is a big problem in passing this Act. Some constituencies, such as my own, are grouped into two different census districts or economic zones. A situation could occur where a neighbour from one county may work at the same place as a person from my county who is affected by the unemployment rate, needs more weeks because the variable entrance requirements apply to that person while not to the other.

How does the Minister rationalize these problems which may exist within an economic zone or census district under Statistics Canada? For example, if Lunenburg county in Nova Scotia, which is very prosperous, is grouped with Digby, Annapolis, Yarmouth or even Shelburne, a different picture arises.

I have protested the use of economic zones under the Unemployment Insurance Act since I became a Member in 1974. While we have arrived at a type of averaging, even that does not show the difference in the unemployment insurance rate in my constituency versus the upper half of that economic zone, which is a very well developed area with good employment. This legislation as it exists would penalize such a constituency.

Is there any leeway to look at an area outside of this development index that we are hearing about today?

Mr. Lumley: Mr. Speaker, the Hon. Member raises an important point. It is one of the reasons it has taken so long to bring this Bill forward. We have been trying to develop an equitable, objective index and it has taken a substantial amount of time.

First, it is very easy to use the Statistics Canada figures from the 260 census areas for determining disposable income.

As the Hon. Member indicated, the employment figures are more difficult to ascertain. For unemployment insurance there are 66 economic zones, as the Hon. Member is aware. Not only have we expanded those 66 zones, but we will now be able to break that down even further. We have 189 areas to determine the unemployment criteria. We tried to break it down into the smallest areas possible so that we will have the most sensitive figures with respect to unemployment. Thus for the unemployment figures we have taken 189 economic areas rather than the 66 which I understand UIC uses.

While the Hon. Member was talking I was looking at her constituency, which I know very well, in order to give her an indication of how sensitive this development index is. As the Hon. Member knows, no index is perfect but we happen to believe that this is the best one to be developed to date. After one year's experience with this, we will be able to improve upon it even more.

For example, there are three census areas in the Hon. Member's constituency which are Yarmouth, Annapolis and Digby. The Hon. Member will have a Tier III zone for two of those areas and a Tier IV for the third. Obviously she is at the maximum, with the exception of the new establishment in the Tier III area, for all three census areas in her particular riding. I believe the Hon. Member can see that we have addressed the very issue that she has raised. The fact that one part of a Member's riding may be more developed than another does not totally distort the whole riding. This can be seen in the Hon. Member's specific riding in which there are three census areas where she has a Tier III and Tier IV for each one of the three census areas.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I would like to thank the Minister for the Bill he introduced in the House today, since it in many ways embodies recommendations that have been made in recent years. The Minister referred to regional offices, and it must be said that many of these regional offices have done quite extraordinary work during the last few years. Perhaps the Minister could confirm whether or not my impression is correct that the regional offices are becoming what, in many parts of the country, is being referred to as a one-stop counter? For instance, will a businessman, instead of having to rush to Montreal, be able to go to his regional office and get all the information he needs on various programs for small- and medium-sized businesses? If that is the case, I think the Minister will be glad to hear that in many parts of Canada and especially in Quebec, there has been considerable demand for this kind of office for some time.

• (1540)

[*English*]

Mr. Lumley: Mr. Speaker, as the Hon. Member knows, having been chairman of the Committee on Regional Development, I think we have raised in the Bill many of the criticisms which Hon. Members such as himself have raised over the years.

Yes, we are going to take the one-stop shop concept and make it work rather than just talking about it. For the first time all the programs that used to be available from the ITC and DREE offices will be under a one-stop shop concept. For example, in the Hon. Member's Province, ITC had an office in Quebec City and one in Montreal. DREE had an office in Montreal, Quebec City and several other cities. Programs for research and development, for example, were not under any DREE mandate but were under the ITC mandate. Consequently, they were not available to the small and medium-sized entrepreneur throughout the Province of Quebec or for other reasons across the country. Then we opened up les bureaux de l'OCRI in a couple of areas and did not open them in others.

What we are trying to do now is to ensure that a small and medium-sized entrepreneur will not have to go any further than his own sub-office to find out what is available from the Government of Canada to help him improve the competitiveness of his company. We will even take it one step further, Mr. Speaker. We are going to make better use of the FBDB offices which under the Minister of State for Small Businesses and Tourism's (Mr. Rompkey's) direction have something like 109 branches throughout the country. We will be using those offices to a greater degree. In communities where there is a regional office of FBDB and a regional office of ITC-DREE, long-range plans call for them to be put in the same building. Now, when a small or medium-sized entrepreneur goes to a government building he has to go to one building to see what is available from one department and then go to another building to see what is available from another. But we are going to try and do our very best to make sure that one-stop shopping becomes the normal way of doing things, rather than the exception, which is what most Members of Parliament find today.

Mr. Dionne (Northumberland-Miramichi): I have two short questions for the Minister. Will the passage of this Bill eliminate the discriminatory practice we have had in the past with communities within the same region, where one community is eligible for assistance while an adjacent one may not be? For instance, in the Miramichi area, in the northwest part the parish of Alnwick is eligible for assistance grants and other communities on the northwest side of the river are not. On the southeast, Glenelg, Hardwick and Rogersville are eligible for grants but other communities on that side of the river are not. Will this Bill eliminate that kind of discrimination?

When the Minister talks about putting offices of the Federal Business Development Bank and ITC-DREE in the same building, can he tell us when the offices of these two government agencies will be moved out of the larger cities of the area into the areas that are underdeveloped and where they belong?

Mr. Lumley: Mr. Speaker, I will answer the last question of the Hon. Member first. He will recall that when my colleague the Minister of State for Small Businesses and Tourism spoke during the budget debate he indicated the new thrust which the Government has undertaken with the Federal Business

Development Bank. The Government has indicated to the FBDB that it wants to concentrate its efforts on the rural regions of Canada rather than the urban centres where the commercial banks can handle most of the financing activities. A whole new thrust of the FBDB will be to concentrate its efforts in the rural areas, as lenders of last resort in those areas where the business community is having difficulty trying to raise funds for normal commercial institutions.

As to the Hon. Member's first question, with the exception of new establishments in Tier I, to me the most important part of this whole new program is the fact there will be no discrimination, whether a riding is designated or not designated. The question, now that everyone is designated, is "To what degree of financial assistance is a company in a Member's constituency entitled?" There will no longer be a dividing line indicating that this constituency will not receive assistance from the Government of Canada and that constituency will. The question will be, depending upon the economic disparity of the two constituencies, what degree of assistance a constituency will receive. There is the exception again, as I said, of Tier I. The reason for the Tier I non-eligibility for establishment is to ensure that the developed regions of the country do not compete on an equal basis with the rest of the areas. In other words, if an entrepreneur were to locate a new company and he received the same assistance in the most developed parts of the country as he did in the least developed, I would say there would be no incentive to locate in an area of regional disparity. That category of assistance for that category will not be available under Tier I. Other than that, there will still be assistance for modernization, expansion, research and development, marketing, innovation and design. In fact, all the programs of financial assistance that up until now were not available in all parts of the country will be available to those companies in all regions of the country for the first time.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I appreciate the Minister's answer; I thought it was very forthright. I realize the Government has proclaimed a thrust to get FBDB and ITC-DREE out of the urban centres and into the rural areas of the country where they belong, but I have not yet seen any action.

I have a concern that while these people are in urban centres, as sensitive as they may be, they do not really understand what is going on in the rural parts of Canada. In the decision with regard to the assistance to which industries will be entitled, will local representatives be consulted rather than just bureaucrats in Ottawa who go on a statistical basis which has no relevance whatever to the realistic situation in a particular area of the country?

Mr. Lumley: Mr. Speaker, with respect to the Hon. Member, we have already opened several regional or sub-offices in the last couple of years. For example, in the plan for New Brunswick, when the final number of offices for that Province is determined, there will be more offices there for our Department than in the Province of Ontario. I think that will give an indication to the Hon. Member how serious we are in addressing the regional disparity issue.

With respect to consultation with individual Members of Parliament, I am sure the Hon. Member recognizes that commercial confidentiality of the information provided by the applicants is the key. In other words, if the private sector wishes to have the Member of Parliament involved in the assessment of the application, that is up to the company applying. The Government has no authority to give access to that information to anybody, otherwise you violate the confidentiality of the negotiations with an individual company. The Government does not object to that, but the decision is up to the individual company making the application to the Government of Canada.

Mr. Deputy Speaker: The Chair would like to recognize two Members, the Hon. Member for Restigouche (Mr. Harquail) followed by the Hon. Member for Victoria-Haliburton (Mr. Scott).

Mr. Harquail: Mr. Speaker, I want to congratulate the Minister on Bill C-165, along with all his other endeavours and thrusts in trying to streamline the delivery of all of these programs, whether ITC, DREE or the FBDB.

I want to join with my colleague the Hon. Member for Northumberland-Miramichi (Mr. Dionne) and again underline to the Minister the need for some of those offices and services being located where the action is. I can certainly tell the Minister that we have a need for some of those services right in my own riding of Restigouche.

With regard to the kind of liaison in communication that will take place between those officials with the Minister of State for Economic Development (Mr. Johnston) and officials of Industry, Trade and Commerce and DREE, can the Minister tell us what mechanism will be in place? Could the Minister tell us exactly the flow of things from the time we identify projects, whatever they might be, whether infrastructure, transportation support or a new industry, and elaborate a little more about how this will work, specifically in the Province of New Brunswick day to day in terms of dealing with constituents and with requests from Members of Parliament? Can he tell us just exactly how the new programs will be operated once this legislation is adopted?

• (1550)

Mr. Lumley: Mr. Speaker, the Hon. Member must recognize that there are two distinct facets to our program delivery. One is under general development subagreements with the Provinces and the other is where we do direct delivery ourselves with financial assistance to individual corporations, whether they be manufacturing, processing, tourism or related service sectors.

The direct delivery of financial assistance to companies is by application. The only time we are involved with other departments is when we feel there is some impact on them and consequently officials of our Department will consult with their officials.

We would get directly involved with my colleague, the Minister of State for Economic and Regional Development, primarily in the areas where we would be negotiating general development subagreements with the Provinces. My colleague's responsibility would be for the over-all co-ordination of all the line departments to ensure that each line department has a regional sensitivity. For example, from the perspective of my Department in terms of industrial parks and tourism and with my colleague, the Minister responsible for Small Businesses and Tourism, we will not negotiate with the Provinces until such time as we have co-ordinated our efforts with the Minister of State for Economic and Regional Development.

Those are the two aspects of economic development of our Department. Whereas before our Department was responsible for DREE subagreements in all sectors—transportation, urban development and forestry, these will now be handled by the line departments under the co-ordination of my colleague, the Minister of State for Economic and Regional Development.

Mr. Deputy Speaker: The Minister's time has expired. With the consent of the House I would like to recognize the Hon. Member for Victoria-Haliburton (Mr. Scott). Is there unanimous consent?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I rise on a point of order. Perhaps we could seek unanimous consent to continue for several more minutes, maybe ten more. It might preclude many speeches if Members could put questions to the Minister and obtain answers.

Mr. Deputy Speaker: The Chair has shown considerable leeway and has recognized a very substantial number of Hon. Members. At this point the Chair would like to recognize the Hon. Member for Victoria-Haliburton.

Mr. Scott (Victoria-Haliburton): Mr. Speaker, I want to congratulate you on the very fair and efficient manner in which you handle the office of the Chair. Also I would like to commend the Minister on his Bill. I do not say that it has everything I would like to see but, coming from a riding with an unemployment rate 3.5 per cent above the national average and never being able to qualify for DREE, I would say that the old Bill was certainly a discrimination.

There is a lot of good in this Bill. As the Hon. Member for Northumberland-Miramichi (Mr. Dionne) indicated, I am also quite interested in knowing how soon we will see some benefits from this new Bill. I would like to ask the Minister how much negotiation he has to do with the implementation of any of these designated areas with the individual governments of each Province? How closely does the Minister have to work with them? Can he go out on his own, or does he still have to consult the department of industry or whatever of the different Provinces?

Mr. Lumley: Mr. Speaker, this is solely a federal initiative. It is a direct delivery program. There are no negotiations needed with anybody except the applicant. Once this Bill is passed by the House and by the other place, we could start delivery immediately. We are hoping, if colleagues on both sides of the House think the Bill is to the benefit of all Canadians, that we will have the legislation approved this week and we will be ready to go as of July 1 and provide financial assistance for companies right across the country.

I know the Hon. Member has raised this issue on many occasions before the committee. I think he will be happy to know that many of the things which he said about his own constituency in terms of need have been borne out by the development index. For example, he happens to have about four different census areas in his constituency. He will find that in most of his constituency he will have the highest level of enrichment of any constituency in the Province of Ontario. I mean this sincerely when I say it. Often we in the Government are accused of doing something which will only feather our own nests as Government Members of Parliament. For the first time in regional development terms we really have a fair and equitable index, not the arbitrary decision of a Minister depending on which Party is in power to decide which area gets designated. Also in terms of new ridings being designated under this new program, there are more Opposition ridings being added to the designation list than Government ones. If that is not an indication to Hon. Members of how fair and equitable is this program, I do not know what is.

Mr. Harquail: Mr. Speaker, I want to return very briefly to the question of the smooth operation of this new delivery system. I see the Bill talks about the Minister of International Trade, and I wonder whether part of this Bill will fall under his purview. Will he be responsible for those items, or do all these matters come under the Minister of Industry, Trade and Commerce and DREE?

Also returning very briefly to my question respecting smooth operations in individual Provinces, the Minister did not quite elaborate on what is in place from the time a suggested project goes through the policy analysis of the Minister of State and his officials in any given Province—and I am speaking of the Province of New Brunswick—through the linkages and liaisons between the officials of the Minister of State for Economic Development and the Minister's officials who are directly responsible for DREE in the Department of Industry, Trade and Commerce. In other words, I am concerned about the bureaucracy, about which there has been much discussion. Regardless of what department it is or whether it is municipal, provincial or federal, I think we are all concerned that from time to time projects are delayed, if not put off or killed off entirely, because of the necessity to go through these various steps.

I am hopeful the Minister will be able to tell us today that there is a streamlined approach to avoid delays and to avoid the prevention of worth-while projects from going ahead. There must be something in place so that there will be clear lines of communication on the policy side between officials of the Ministry of State for Economic Development and the Minister's officials who are responsible for Industrial and Regional Development, Industry, Trade and Commerce, and the DREE program.

Mr. Riis: Mr. Speaker, I rise on a point of order. The last speaker referred to the Minister of Trade in the Bill. I wonder whether he could point out at what page it is so that we could follow his questioning.

Mr. Deputy Speaker: With all due respect, that is hardly a point of order. I think the Minister of Regional Economic Expansion should be allowed to comment upon this last supplementary question, and I hope at that point we could proceed to the next speaker.

Mr. Lumley: Mr. Speaker, there is no other direct involvement by other departments. This is a direct delivery program implemented by my Department and my Department only. With respect to the PEMD program, the Program for Export Market Development, we deliver it out of our regional offices on behalf of the Department of External Affairs. That is just a delivery mechanism, but under the new program all applicants across Canada apply under the Bill only to our Department. Obviously we consult other departments from time to time. For example, if it is a resource question, we consult with the line department to ensure that what we are doing does not impact upon a policy decision which that particular department might be undertaking.

The reason for the whole restructuring, the reason for this program, is to streamline the process. There will be delays caused by lack of information to make a proper decision, but there should be no delays caused by the bureaucracy in terms of interdepartmental discussion because there is not interdepartmental discussion on every single application.

Also as the Bill indicates, the Minister can institute private sector advisory boards, which I want to discuss with members of the parliamentary committee tomorrow. I would like to know whether they would like to see private sector advisory boards reinstituted, for example, as we did with the Enterprise Development Program where we had private sector people assess applications for Government contributions of $500,000 or more. We think that is a good avenue to follow, but it would be left to the Minister. It is one of the items I want to discuss with committee members tomorrow.

Mr. Waddell: Mr. Speaker, I rise on a point of order in an attempt to assist the debate. I am trying to find out to what bill or clause the questioner referred. Was he referring to Bill C-165 or Bill C-152?

Mr. Deputy Speaker: With all due respect, this is hardly a point of order. At this point the Chair has extended the time period of the first speaker. I understand there was an agreement for three lead-off speakers and the Chair, with the consent of the House, would like to proceed to the next speaker.

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, first of all I would like to thank you for extending the question period. The questions were very useful and the Minister's answers will assist us a great deal in our deliberations.

• (1600)

The Canadian family of Provinces and Territories has some poor and rich cousins. Since we captured our national dream and pushed the railroad through the mountains to the Pacific and developed our central manufacturing base with protective tariffs, we have witnessed the decline of the Atlantic region and the emergence of disparities which have grown and are with us today.

Distance from markets, high transportation costs, lack of capital, lack of entrepreneurship and associated skills are reflected in high unemployment, lack of industrial growth and a marked dependence on the transfer of federal funds. Wages and earned incomes remain well below the Canadian average. Other areas of Canada, notably the Gaspé region of Quebec, northern Ontario and specific regions in northern and western Canada can point to the same problems.

In the 1960s the federal Government addressed this problem with the ARDA program and the fund for rural economic development. Next came the Atlantic Development Board. In 1963 the Area Development Agency began providing assistance to the manufacturing sector. This assistance was quite properly directed to areas of high unemployment, but unfortunately it excluded major population and industrial centres in the Maritimes where new industries had the best chance of succeeding.

In 1968 we witnesed the formation of the first government department to deal exclusively with the problem of regional disparities. The special areas program and the Regional Development Incentives Act were powerful instruments in attacking the problem and together composed a clear indication of a strong dedication to regional development policy.

The initial thrust of DREE was to provide economic development in the lagging region east of Trois-Rivières and certain areas where special needs existed. In time the areas designated for assistance were broadened and the impact of the DREE effort was diluted both by the enlargement of the scope of its operation and in the reduction of real dollars made available for that purpose.

In 1982 the reorganization for economic development split DREE in two and buried it in two departments of Government. DRIE now combines the program functions of DREE with the Department of Industry, Trade and Commerce. Given our national economic problems and the high unemployment facing Canada at the moment, it is understandable and desirable that the Government address these serious national issues, but surely the Government cannot be forgiven for not also addressing the problems of regional disparities. It should address both problems.

Any further diminution in the flow of funds to poorer regions can have very serious short-run consequences for individuals and provincial Governments and ultimately the national economy. In the long term it could be a catastrophe. The federal Government is now restricting the transfer of

funds to provincial Governments with established funding programs and equalization by changes in the terms of the programs and by limiting increases.

I have no quarrel with better control over federal funds, but I do quarrel with the failure of the federal Government to recognize the impact that the reduction in transfer payments has on governments in the Atlantic Provinces which are nearly 50 per cent dependent on federal funds to maintain existing programs and standards of living.

The ultimate goal of federal development policies should be to create in the poorer Provinces a secondary manufacturing capability employing more wage earners and creating more taxpayers, so that ultimately the poorer Provinces can pull themselves up by their own bootstraps and have less dependency on transfer payments and equalization grants. At the moment, their limited ability to raise revenues through taxation or borrowing makes further reductions in the level of services an alternative which they are seeking desperately to avoid.

Also under assault by the madhatters in the Department of Transport is the historic and traditional assistance given to producers, manufacturers and shippers in the Atlantic Provinces since 1927 in the form of maritime freight rate subsidies. Any further reduction in this assistance could be disastrous to the Atlantic Provinces. It could mean a loss of $64 million to the Atlantic Provinces which would have to be made up by growers, industrialists and manufacturers which depend on transportation facilities, both within the Maritimes and for westbound exports. It could mean lost markets, lost incomes and lost jobs. It could mean declining use of regional resources for materials and decimation of competitive positions in central Canada.

The Maritimes population base is too small to absorb all its production. Major manufacturing plants have to sell outside the region, overseas, in the central committee market and, to a lesser degree, the western Canadian market. The long-haul shippers of Atlantic Canada have to put their goods in these markets at competitive prices or lose them. If the subsidies are removed, the Altantic manufacturing base, which we seek to develop, would be weakened and further centralization in Quebec and Ontario would follow. The rates have already been reduced from 15 per cent to 10 per cent with the prospect of complete elimination and utter catastrophe now facing Maritimers.

The proposal contained in the Bill now before us will form the basis of DREE assistance in the future. It is a reformation of the Enterprises Development Program, the Industry and Labour Adjustment Program, the Regional Development Incentives Program and Support in Technology Enhanced Productivity Programs which have been restructured. Under this Bill, firms anywhere in Canada can qualify for assistance, which varies in degree according to a development index calculated for each of Canada's 260 census divisions. The index will be based on unemployment rates, the rate of employer per population ratio, income and the fiscal capacity of each Province.

The development index does not form a part of the Bill but is spelled out in the regulations, a copy of which has been given to us. The index contained in the regulations is different from the one mentioned by the Minister before committee a few weeks ago. Following our initial criticisms, and it is to his credit, it appears to have been improved, but since it is contained in regulations and not in the Bill, we do not know what it will be three weeks from now or even 30 weeks from now. Based on the value of the index, each census division will qualify for increases in levels of assistance according to its relative disparity on a four-tiered scale.

The new four-tier program represents a shift in direction from previous development initiatives and is a cause of some concern. I will express some potential programs. The Bill reshapes existing programs, many of which, like the Enterprises Development Program, were unsuited to the need of smaller companies in the Altantic Provinces and other areas suffering from disparity, and the mere restructuring of their application is unlikely to increase their impact.

Another major concern is that the impact of the development index is such that it does not operate at its maximum in the larger centres of industrial growth in the Atlantic Provinces and discriminates against them where average wages are higher and employment potential is better. It fails to recognize that it is in these larger centres that many people in outlying regions go seeking employment in industry and where they have a better likelihood of finding it. A failure to permit expansion to the maximum degree in these areas is a failure to provide the maximum number of potential jobs in industry that are badly needed. I am suggesting to the Minister that all of the Atlantic Provinces should be designated as qualifying for the highest tier of development assistance available.

The proposals contained in the legislation before us do not recognize the need for a concentrated approach to economic development beyond the boundary of a single census division. Consequently, many of the new programs can have limited application in the smaller census divisions in Atlantic Canada which have a limited industrial base and weak infrastructure.

Further, the incremental incentives appear inadequate to influence decisions on new plant locations and appear designed instead to concentrate on innovation and marketing, with the bulk of the funding going to the central manufacturing areas of the country. There is little stimulus to influence new plants to locate in the have-not regions that suffer greatest from disparities, and this is an essential element in any regional development policy.

In this latter regard, I would suggest to the Government that it consider the employment of a 150 per cent tax incentive, not as a grant but as a tax credit payable out of future tax by firms locating in areas that suffer from regional disparities, such as the Atlantic Provinces and the Gaspé region of Quebec. This incentive would be payable in respect to the capital cost of a new plant or an expanding plant and the cost of labour for the first three years of the plant's operation. This would not attract a single cent from our national Treasury because it would be

paid out of the income tax which such a firm would otherwise pay and is not now paying until the cost of the investment plus 50 per cent has been recovered. This proposal has worked effectively in other parts of the world, such as New Hampshire, and it is a proposal that has been brought forward by the prestigious New Brunswick Industrial Development Council.

• (1610)

I would also like to see the Government consider making the major ports in the Atlantic Provinces duty-free areas where low-cost products from the Third World can be imported and assembled in Canadian assembly plants according to Canadian specifications, using Canadian technology and Canadian workers and then be exported to markets of the world, the same as is done in Amsterdam, Singapore and 16 ports in the United States of America under its highly successful DISC Program.

Clearly there should be a renewed and continued strong commitment made by the federal Government to the development of the economy of Provinces that suffer from the effects of regional disparity so that those Provinces can become less dependent on transfers from the federal Government. They key to such a change is reduction in regional disparities by lowering unemployment rates and taxation levels and raising per capita incomes.

High transportation costs, a weak industrial base and limited infrastructure are fundamental issues that must be addressed. I suggest that economic development can best be achieved within a framework of co-operation between federal and provincial Governments and industry and labour. Consideration must be given to the winners in the Canadian economy and the promotion and growth of an industrial base must surely be founded on the strength of the resource base and access to markets. Infrastructure development has a strong supporting role.

The Government's development policies have been consistently eroded by its monetary policy, which has been insensitive to the unfair and unequal impact it has on disadvantaged regions such as Atlantic Canada. Atlantic Canada is the first hit, the hardest hit and the last to recover from the Government's tight money policies and the Bank of Canada's heedless and stubborn refusal to consider ameliorating measures.

The bottom line is that there is no longer a federal Government department with the sole mandate of promoting development in the least developed regions of the country. The demise of DREE and the broadening of areas for regional development suggest a change in the singular emphasis put on the reduction or elimination of regional disparities. This comes at a time when other federal programs, including equalization payments and transportation subsidies, are coming under review.

Details for implementation of the programs outlined in this Bill and the dollars that are to be made available for each region have not yet been made public. The notational estimates and comparisons between existing programs and new programs on a regional basis are important. We feel that it is essential that full disclosure of the nature of the new program and its dollar impact on each region be made in committee to permit a proper evaluation. Is the new program another cosmetic or can it be adapted to the needs of our regions and made to address our serious national and regional problems? I sincerely hope it can, and that is why we are making constructive suggestions and looking forward with great anticipation to a good dialogue on this very important measure in committee.

Canada urgently needs policies to stimulate innovation, improve productivity and enable Canadian enterprises to put Canadian goods in foreign markets at competitive prices. Canada needs policies to put Canadian goods in Canadian markets at competitive prices. Canada needs policies to address regional disparities. To a degree, this Bill seeks to address all three needs, and we must have a good discourse in committee in order to determine to the best of our ability as Parliamentarians whether it achieves each of those objectives. That is why I look forward to seeing the Bill go to committee as soon as possible, and I join the Minister in that regard.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I do not plan to ask the Hon. Member a question. I want to put a few statements on record.

I am very pleased, Mr. Speaker, to be afforded this opportunity today to respond to Bill C-165, an Act to provide for financial assistance for industrial development in all regions of Canada. I want to say that we in the New Democratic party are more than anxious to get this Bill into committee as expeditiously as possible in order to carry out the fine tuning of Bill C-165 that we feel is necessary and get it back into the House for quick passage in order that it can be enacted early in the month of July.

I must say, Mr. Speaker, that I find it interesting that the reason we are discussing this Bill today, a Bill that recognizes the reality of regional inequality in the country, goes back to the very beginning of Confederation when Sir John A. Macdonald, a Conservative Prime Minister, introduced something called the national policy. In this policy, the central part of Canada was identified as the area where Canada would do its manufacturing and Atlantic Canada, northern Ontario and northern Quebec, the Prairies, British Columbia and the Territories would be subservient to central Canada. These areas would be the hinterland to the industrial heartland made up of the lower St. Lawrence Valley.

We have now recognized, Mr. Speaker, that not only must these regional inequalities be overcome if we are to bring equity and justice to the Canadian economic landscape, but I think the Minister of Industry, Trade and Commerce (Mr. Lumley) and the Minister responsible for regional expansion has had to agree that the present policies are anything but equitable. I would simply refer to two or three of the existing policies that I think demonstrate most clearly the injustices that are inherent in existing Government programs when it comes to providing economic opportunities for all parts of Canada.

In the period April to November, 1982 one Province received $30 million in development incentives while British

Columbia received only $558,000 during that same period. On a worker basis, Mr. Speaker, this averaged out to $10.48 for every worker in that unnamed Province and only 41 cents for every worker in British Columbia. Similar figures for 1981 show an even stronger trend in favour of this special Province. That Province received $25.77 per worker compared to only 56 cents per worker in British Columbia. While we recognize that there are differences between Provinces, I believe this demonstrates unquestionably that present Government programs, for a whole variety of reasons, favour certain constituencies and certain regions of Canada.

Another demonstration of that is the work presently being done by the Canadian Commercial Corporation. That corporation is in place to bring foreign requests for goods and supplies to Canadian suppliers of those goods and supplies. A few weeks ago in the Finance Committee, representatives of the Canadian Commercial Corporation were asked what percentage of the business done by the corporation was done in conjunction with suppliers from the Province of British Columbia. Many of us were not surprised when the answer turned out to be just less than 1 per cent. Just less than 1 per cent of all of the business done by the Canadian Commercial Corporation is done in conjunction with firms from the Province of British Columbia.

All sorts of examples of the really profound injustice attached to the various Government programs could be indentified. One could say that these programs are based, by and large, on patronage and on porkbarrelling techniques.

I think that some of the best listening to be done these days, Mr. Speaker, is to be done by Members of Parliament when listening to members of such Departments as Industry, Trade and Commerce and DREE who have resigned from positions that they have perhaps held for a number of years and are now involved in some other pursuits and they sit down to reflect off the record to Members of Parliament what really has gone on in those Departments. I believe that what one finds, Mr. Speaker, is a considerable amount of what can only be described as patronage.

I am pleased to say that the present Minister, by introducing Bill C-165, has taken a major step to eliminate that kind of behaviour and in fact to make an effort to deliver an equitable industrial incentive program for all parts of Canada. We were disappointed with much of the behaviour of DREE over the past few years. While we recognize that many positive initiatives were taken by DREE, we also recognize that vast areas of the country were not designated. Areas of western Canada where for years and years the unemployment rate was 20 per cent or 25 per cent still have not been designated. The latest fiasco with the ILAP designation is almost laughable. Some areas whose problems did not begin to approach the greater problems of other areas were designated because of the political bias that exists in the system. The work done on Bill C-165, however, does much to dispel the sour taste associated with so many Government programs designed to provide industrial incentives.

• (1620)

The New Democratic Party feels that by identifying the various tiers the Bill will identify the criteria required to bring a number of industrial location factors into play. I should like to identify four or five problem areas that should be clarified in committee. There are problems for the small business sector with this Bill. I think every Member of the House recognizes the fact that the small business sector of the economy has been hardest hit in recent times. The "mom and pop" operations in the country are struggling to survive. They hope for a positive response from the Government as they see their large cousins receiving all kinds of financial handouts or making favourable arrangements with financial institutions. They themselves, however, are fighting the battle in the trenches without very much ammunition.

We must ask whether Bill C-165 provides encouragement for the small business sector. I realize the Bill must have limits but this sector of the business community must receive very serious consideration in the provision of industrial development grants.

The fact that the development index is found only in the regulations attached to the Bill means that the index can be changed by the Department without difficulty. Members of the committee will want to make sure that the present index has been arrived at carefully and that the formula used to trigger the provision of incentives for a particular region will perform equitably across the country.

In committee the Minister will have to let us know exactly how much money is attached to the program. I am sure the Minister and his Department will be sensitive to the rgional distribution of funds in view of their commitment to decentralization. The Hon. Member for Vancouver-Kingsway (Mr. Waddell) has pointed out that this might also be interpreted as centralizing and moving away from the close federal-provincial discussions of the past. Nevertheless, as the Government indicates its intention to decentralize decision making for industrial incentive grants, the regional distribution of funds across the country must reflect the economic needs in any particular year.

The Minister has said that emphasis will be placed on one-stop shopping for the small enterpreneur but we have to wonder just how that will take place. I certainly agree with Members who spoke earlier and said that the average business person having to journey to Ottawa to beg for funds for their business or for a particular region or municipality is something that we must stop. We hope that the Bill will accomplish this. We wonder, however, whether the availability of one-stop shopping is well known to the business community. The maze of red tape that surrounds Government programs discouraged many in the small business community from seeking help. The large firms have professionals on staff who make the approach for them but the small entrepreneur must be able to go directly to a source which is accessible if the program is to be equitably administered across Canada.

I hope that when the committee has an opportunity to examine the fine points of the Bill and the regulations in detail

the Minister will indicate how he plans to serve the very small entrepreneur. The Bill is designed to provide financial assistance for industrial development in all regions of Canada but it fails to address the serious problems faced by small entrepreneurs and native people. I realize that any Bill cannot be all things to all groups but I hope that in committee the Minister will address the ways and means by which the native communities can be assisted with industrial and economic development.

We are quite enthusiastic about the Bill, Mr. Speaker, because of what it can do for communities in the country. As an example I will use the community of Kamloops, British Columbia, but I could use any community. The legislation seems almost too good to be true at this point; it almost seems just to have come from the Liberal benches. Let me take the example of a firm in the Tier II ranking which is interested in locating in the Kamloops region. It would be eligible for up to 50 per cent for innovation, more specifically research and development funding; 35 per cent funding for capital costs for a new or expanded veature; 35 per cent support for modernization of plant or expansion of plant; 60 per cent assistance for introducing new marketing techniques and approaches; and 25 per cent support for renewal.

• (1630)

I believe that is going to assist those development officers or development commissioners, whatever title they may have in different parts of Canada, when they go about approaching firms to relocate in their regions, whether it is Canadian firms wishing to open up a new branch, whether it is larger corporations which might be interested in opening up facilities in Canada, or perhaps investors wanting to open up a new venture, particularly in one of the non-growth areas of our country. I believe it will assist them considerably when they are able to go to an investor and say: "This is what we are able to offer you at this point; based on the existing economic situation in our community, these are the incentives we have in place which are provided by the federal Government". I believe this is going to have the potential of making quite a substantial improvement, Mr. Speaker.

In closing, I would simply say that as we move to a program which I believe will be a more equitable program in terms of providing industrial and economic opportunities to the regions of Canada, other than Central Canada, which obviously has a number of built-in advantages already, we must be careful when we are simply forcing growth into areas where it may normally not go. There is an underlying assumption that by providing incentives and grants we can make an enterprise economically viable almost by definition. We all know that this is not true, Mr. Speaker. The list is long of all kinds of economic endeavours in this country which are laughable when it comes to economic viability. Even at the moment of their inception, people knew these incentives were not being provided because of an economic need which was real. They were not economically viable but were politically viable. It made political sense.

I go back to what I said at the beginning of my speech, Mr. Speaker, that for too many years we have seen industrial development associated more closely with political patronage than with the development of a real, sound economic infrastructure in this country. I simply say in closing that we must recognize that growth can take place only in areas where it does make sense. While the Government can step in and provide a serious and positive partner in that introduction, again we cannot create magic on the economic landscape either, Mr. Speaker. We in the New Democratic Party are looking seriously and enthusiastically at the discussions in committee in the next number of hours and look forward to bringing this legislation back into the House for relatively rapid passage in order to have it introduced early in July, 1983.

Mr. Hawkes: Mr. Speaker, I listened with great interest to the spokesperson on behalf of the New Democratic Party. I believe I detected a rather major shift in emphasis on his part. In particular, near the end of the Hon. Member's address he was talking about the need for economic viability to be a criterion for Government programs. I am wondering if the Hon. Member is signalling to the House a difference in attitude towards some uneconomic activities of the Government? Examples, Mr. Speaker, might in fact be Petro-Canada and Canadair which have demonstrated quite conclusively to the Canadian people that they are not economically viable without significant Government assistance. Would the Hon. Member tell us whether or not the NDP is shifting and changing its attitude towards Government support for Petro-Canada and for Canadair?

Mr. Riis: Mr. Speaker, I welcome the question of the Hon. Member in that it permits me an opportunity now to mention two particular areas, specicifically Petro-Canada and Canadair, and other Government Crown corporations. We in this Party have always felt that there was an opportunity for Government to involve itself in a most positive way with economic infrastructure building in this country, be it in the energy sector, transportation, communications, or whatever.

The important point is that if we are going to have a Crown corporation, it is important that it be run as a Crown corporation and not run simply as a corporation. There is a profound difference. Because the Government has run certain Crown corporations in such a way that they duplicate the Domes, the Massey-Fergusons, the Chryslers of the world—in other words, they were mismanaged, like many of the private corporations—we, of course, are concerned, as every Canadian is, that that is not the kind of management we would like.

It we want examples of Government and industry working in the most positive, creative and innovative way, we must look at the economic and industrial leaders of the world today. We must look at countries such as West Germany, Austria, Switzerland, Denmark, Sweden and Norway where, in spite of the difficulties which they also are having during this recessionary period, their economies are diversified and strong and are rebounding more quickly than most. One could also tack

on the country of Japan. However, I put that at the bottom of the list because all of the other countries have had their economies developed under social democratic governments.

Mr. Deputy Speaker: The Chair has some concern about relevance to the debate before us. I will permit a supplementary question, but I suggest that relevance might be borne in mind by the Hon. Member.

Mr. Hawkes: Thank you, Mr. Speaker. Sometimes it is difficult to be specifically relevant but I will try. The Hon. Member has brought up the issue of Sweden. I am wondering if he is signalling a different sense about user fees in terms of medical care—

Mr. Deputy Speaker: Order. The Hon. Member is straying from the issue of the Bill before us.

Mr. Hawkes: Mr. Speaker, I am sorry for the digression. I will get right to the heart of the matter. In takling about the need for regional strengthening in the economy of Canada, the Hon. Member brought up the issue of transportation. One of the areas which has had a less than adequate transportation system is the West. The Crow rate is an example. I am wondering if, through the Hon. Member's comments, he is signalling a change on the part of the NDP regarding subsidies to the railroads in western Canada—

Mr. Deputy Speaker: With all due respect to the Hon. Member, the issue before us is a different measure and the rule of relevance has to have some application in the House.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Human Rights—Internment of Japanese-Canadians—Payment of compensation. (b) Form of compensation; the Hon. Member for Provencher (Mr. Epp)—Supply and Services—Percentage of procurement from Manitoba suppliers. (b) Request that Manitoba orders be increased; the Hon. Member for Halifax West (Mr. Crosby)—The Administration—Use of executive aircraft by Ministers. (b) Status of passengers on flight to Antigua.

GOVERNMENT ORDERS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Mr. Deputy Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Verchères (Mr. Loiselle), Rosemont (Mr. Lachance), Brome-Missisquoi (Mr. Bachand), Chicoutimi (Mr. Dionne), Saint-Michel-Ahuntsic (Mrs. Killens), La Prairie (Mr. Deniger), Gatineau (Mr. Cousineau), Charlevoix (Mr. Lapointe), Charlesbourg (Mr. Bussières), Lévis (Mr. Gourde), Louis-Hébert (Mr. Dawson), Québec-East (Mr. Duquet) and Rimouski-Témiscouata (Mrs. Côté), has been filed with the Chair pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, R.S.C., 1970, to the Report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed.

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF ONTARIO

Mr. Deputy Speaker: It is my duty to inform the House that an objection signed by the Hon. Member for Nickel Belt (Mrs. Erola), Thunder Bay-Nipigon (Mr. Masters), Sudbury (Mr. Frith), Algoma (Mr. Foster), London West (Mr. Burghardth), Guelph (Mr. Schroder), Etobicoke North (Mr. MacLaren), Sault Ste. Marie (Mr. Irwin), Timmins-Chapleau (Mr. Chénier) and Renfrew-Nipissing-Pembroke (Mr. Hopkins), has been filed with the Chair pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, R.S.C., 1970, to the Report of the Electoral Boundaries Commission for the Province of Ontario.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed.

* * *

INDUSTRIAL AND REGIONAL DEVELOPMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Lumley that Bill C-165, an Act to provide for financial

assistance for industrial development in all regions of Candada, be read the second time and, by unanimous consent, referred to the Standing Committee on Regional Development.

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?

Mr. Waddell: On a point of order, Mr. Speaker, I understand that the Bill is now going to the Regional Expansion Committee, and will be discussed tomorrow in committee. Then, I suppose, it will be brought back to the House later that day, or perhaps on Wednesday. If it is possible to get an expedited copy of the transcript of the committee debate, Mr. Speaker, I would appreciate it.

Mr. Deputy Speaker: With all due respect to the Hon. Member, I would like to finish the form. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, referred to the Standing Committee on Regional Development.

Mr. Deputy Speaker: We have now had second reading of the Bill and declared the Bill referred to the Standing Committee on Regional Development. In regard to the request, as far as the Committee report is concerned, the Chair will take note of the request made by the Hon. Member.

* * *

• (1640)

ATHLETIC CONTESTS AND EVENTS POOLS ACT

MEASURE TO PROVIDE GOVERNMENT OPERATED POOL SYSTEMS

The House resumed from Tuesday, April 19, 1983, consideration of Bill C-95, an Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, as reported (with amendments) from the Standing Committee on Communications and Culture; and Motion No. 2 (Mr. Reid, St. Catharines).

Mr. Ron Stewart (Simcoe South): Mr. Speaker, I rise in my place in opposition to Bill C-95, a Bill to establish a sports pool, particularly to speak to the first amendment, Motion No. 2, which calls for the striking of Clause 14(b) which states:

> To conduct and manage, in accordance with regulations made by the Governor in Council, such lawful gaming activities as the Governor in Council directs.

We have all seen how Crown corporations of the Government have conducted and managed our affairs vis-à-vis the post office, Canadair, de Havilland, et cetera, and we have also seen the regulations made by the Governor in Council which, in essence, come down from the Prime Minister (Mr. Trudeau). However, before going into this part of it in depth, I would like to say that as a Member of Parliament one of our many rights, one which I prize, is our availability to what is known as the householder. This small booklet, composed by Members and distributed to each household, can be mailed out four times a year, as Your Honour is aware.

In each of my householders, I include a questionnaire covering a wide range of topics. I do this intentionally because as a Member of Parliament I am only an extension of my constituents and their views. It is important to me that I reflect as accurately as possible these views. I receive a substantial number of responses to each questionnaire, into the many hundreds. The results of these polls greatly assist me in determining the feelings of my constituents on issues of the day.

In July of last year, one of the questions posed in my householder was as follows: "Do you favour a sports betting pool administered by the federal Government?" Seventy-five per cent of those responding answered no, 70 per cent said yes, and 8 per cent were undecided. Obviously, the majority of the people in my riding are against the creation of a sports pool. I stand here today, as is my duty, to register their opinion in this House.

The striking of the clauses is what we are discussing, and Clause 14(b) would allow the sports pool corporation to conduct and manage such lawful gaming activities as the Government directed. A federal re-entry, if you will, into the lottery field would thus be possible for any game imaginable. It is just too broad. Again, it involves the element as to whether we trust the people across the way to come back into the lottery field. Video slot machines paying cash for a win instead of a free replay is one game, and the Government might now be considering something such as that. We find the clause is just absolutely too offensive to the Provinces, with which we have an agreement on lotteries, and too open-ended in the directions that it can take to let it go unchallenged. That is why I am on my feet.

As I just intimated, this new lottery or sports pool would involve a Crown corporation. It is only a few short weeks since the Auditor General, in his annual report to Parliament, expressed strong unease and a clear caution with regard to Crown corporations, something he rightly termed "sub-governments". We are all aware of what has been happening. All one must do is pick up this morning's newspaper to see the Auditor General again decrying what happened with Canadair.

Does the Government see the problem? Does the Government hear the warnings? I think not. Does the Government say anything in response? No, it just blames management. Yet in this very clause it wants to take over management and responsibility again in the sports pool. It wants to create another Crown corporation. That is its arrogant answer, as if we had not had enough Canadairs.

The sports pool corporation to be created by this Bill will conduct and manage a federal sports pool. Why should there be another Crown corporation? Why should there be a sports pool to begin with? The Government just loves Crown corporations. It has over 300 of them now, most of them unaudited and uncontrolled. Air Canada, VIA Rail, the Commercial Investment Corporation and others are available to the Government to use as a means of rewarding its people, taking care of its own. There is Petro-Canada, which 69 per cent of

Canadians do not go out of their way to use and which 45 per cent feel should be sold.

Is there another failed Liberal or miffed Liberal out there somewhere who needs some place to hang his hat and some money to line his pocket? Is that why the Government needs another Crown corporation?

Mr. McDermid: Yes.

Mr. Stewart: I think so, as my hon. colleague says. The Government says the sports pool is needed to aid fitness and amateur sport and arts and culture. Which cultured Liberal out there in the boonies is waiting for the call to show what a sport and how fit he is to run this newest enterprise? I a wait this appointment with bated breath. It will help fund the 1988 Calgary Olympics, we are told, and we are very pleased about that. We know that concerning anything that happens in Alberta, the money will be well spent. No one is denying that this event is worthy of our support, and we totally do support it. However, there must be a better, more sensible way of doing this, not a Jean Drapeau philosophy involved.

Back in the late 1960s, those same Montreal Olympics incurred a deficit of about $1 billion, and all three levels of Government, Montreal, Quebec and the federal Government, began looking for ways to pay the deficit. The Quebec Government suggested that the federal Government take over the Olympic lottery which was due to expire in 1976. As a result, Loto Canada was created. It, of course, was a Crown corporation. Loto Canada was given a three-year mandate, and its establishment was supported by all major political Parties, with the exception of the socialists to my left. The lottery made quite a great deal of money and the Government of the day, like the one now, warmed to the idea of carrying on this profitable undertaking. It meant more taxpayers' dollars to squander.

Early in 1979, a Bill was introduced in the House to make Loto Canada a permanent lottery corporation. Opposition support for this move was negative. Loto Canada had been scandal-ridden over the course of its existence. The Provinces argued that lotteries were a provincial area of concern and threatened court action. We in Opposition reminded the Government that it had promised in 1976 not to extend the lottery unless the Provinces consented. The issue was finally put to the voters of Canada. The Liberal platform called for the continuation of the lottery under redefined terms. We called for the dismantling of Loto Canada in return for an agreement with the Provinces on lottery revenues. In my view as a federalist, it was a very wise decision. We won the election and soon after gave the Provinces exclusive jurisdiction over lotteries in return for $24 million annually, indexed to 1979. This money was to be split fifty-fifty between arts and culture, fitness and amateur sport, a far cry from what the Bill before us is providing.

The Provinces also agreed to assume responsibility for the federal share of the costs related to the expansion, upgrading and renovation of three National Hockey Leagues arenas. Shortly after the agreement was signed, Parliament dissolved for the 1980 election. During the election campaign, the Liberals promised they would do everything possible to get the federal Government back in the lottery business. However, once in office they were informed by their legal advisers that the Conservative Government's agreement was binding enough to make any breach of that agreement a serious matter.

I would now like to turn to the crux of the whole issue. The loophole-lookers took over and the loophole they latched on to was that of a sports pool. With a lottery ticket, winning is simply a matter of luck. A sports pool ticket meant involving some skill. That was the loophole for the federal Government to break its word to the Provinces and get back into the lottery business. The reason was the Government's distinction between "luck" and "skill". Based on this reasoning, the Government announced in the fall of 1981 that it would seek the establishment of the Sports Pool Corporation.

• (1650)

I see that my time is running out. I had a lot more that I wished to say on the subject but suffice it to say that we on this side of the House and Canadians do not trust the Government to run a sports pool. We do not know what it will do with the money. The definition is too broad. We think that Clause 14(*b*) should be deleted completely. We believe that regional and provincial disparity exists and that the federal Government has no business adding to the problem. I strongly urge all Members to consider this Bill very carefully and not aid and abet the Government in its sweeping powers under a sports lottery.

Mr. Gordon Gilchrist (Scarborough East): Mr. Speaker, I too would like to say a few words about Bill C-95. My colleague has pointed out some of the pitfalls to be anticipated in an inept Government trying to handle a potentially scandal-ridden business.

I would confine my remarks to the potential effect that this Bill will have on one of Canada's valuable and loved industries, the horse racing business. It could be seriously damaged by the loss of some $300 million which will be taken from the disposable income of Canadian earners.

This penchant for raising money, a form of hidden taxes, by a Government which has a penchant for raising money from any source whatever totally disregards the damage which will be done to this important taxpaying business. Surely some consideration should be given to this valuable industry other than just excluding it from pool betting.

Who will protect or replace the lost jobs, the lost revenues and the lost enjoyment of Canadians if standardbred or thoroughbred horse racing is damaged beyond recovery? The Government-inspired recession is already taking its toll of the nation's racetracks. Attendance is down over 2 per cent this year and betting is down over 3 per cent. That is the official statement. In fact, in the last quarter the reality is that attendance and betting are down approximately 15 per cent.

Horse racing goes back some 3,500 years. It is an old and honoured entertainment medium. It is a sport. An afternoon in the sun watching horses run or taking one's spouse out for dinner at the track is far superior to keeping a clammy lottery

ticket in one's pocket in the hope of becoming an instant millionaire against totally ridiculous odds. The track does not have the climate of a Nevada casino. It is a place where people go to have a thoroughly good time, not lose much money and perhaps even make a little. But it is always to enjoy the sport.

The horse racing business employs 50,000 people or more in Canada. These people depend on the profitability of the industry, as in any other business, for their livelihood. In effect, racetracks are the employer of horsemen, trainers, farriers, veterinarians, farmers who grow the feed and so on. It is even the employer of people who serve in the restaurants and gasoline operators who sell gasoline to the people who come to the racetrack. The spin-offs are wide and unlimited.

There are approximately 15,000 registered race horses in Canada today. One can see that there are three jobs for Canadians for every horse that is raced. There are 3,000 throughbred and standardbred breeders in Canada who employ grooms, trainers and others, all of whom pay taxes. There are 10,000 race horse-owners in Canada. All of these 50,000 people are already in some jeopardy as tracks cut back on the size of their purses and costs because of the general recession.

The largest single sporting event, certainly in North America if not in the world, is the Kentucky Derby in Louisville, Kentucky, a city of 300,000 people. Just yesterday, thousands of Canadians enjoyed the Queen's Plate at Woodbine in Toronto, and others the Confederation Cup at Flamboro in the standardbred racing business.

Simply consider some of the people involved in horse racing and some of the skills involved, not to mention the investment dollars, to raise Canadian horse breeding to world standards in order to appreciate that this is indeed a full-fledged industry. They include the trainers, the drivers, the jockeys, the owners who are people with the finances and the love of horse racing. They are people like E. P. Taylor. Look what he has done with Windfield Farms and the breeding industry and racing in Ontario. He has a great success record. As well, there is Louie Levesque, the Speers family on the Prairies and dozens of smaller operators who are dedicated to the achievement of excellence in the breeding business in Canada.

What is the point here? The point is that the $300 million which will be removed from the disposable income of Canadians will adversely affect the racing business. Let me cite a quotation:

> I want to say that there is every indication that the operations of these sports pools will not harm horse racing in any way.

That was said by the Hon. Minister of State for International Trade (Mr. Regan) to the Communications and Culture Committee hearings on Bill C-95 last December, 1982. I can tell the Hon. Minister that the $300 million taken from the pockets of Canadians will affect this industry at a time when the recession and proliferation of multi-channel satellite TV video games and other competing interests will severely affect the racing business and keep people away from the tracks.

The tracks need more money for special events, track improvements and public relations in general, not less money while Canadians buy lottery tickets which support nothing but an unproductive and increasing bureaucracy. At a time when this valuable tax-paying industry is scraping for every dollar, just as other businesses in Canada are today, this is no time to be leaching $300 million out of taxpayers' pockets in competition. What Canada does not need now is another lottery and another Government money grab. If culture, sports and medical research are deserving of increased funding, and I believe they are, they should be funded adequately by regular governmental support after due parliamentary debate and should not be subject to the vagaries of revenue pools based on the variable degree of public support in the buying of lottery tickets.

Mr. Girve Fretz (Erie): Mr. Speaker, it would appear that the Government is fed up with arresting bookies for taking bets on football games and is now making it all quite legal and respectable in the hope of turning a quick profit.

I want to make it clear for the record that Bill C-95, which seeks to establish a Government's sports pool, is blatant interference in the affairs of the Provinces of this nation. It is greatly exaggerated in terms of potential for profit and will have a negative effect, I believe, in many other areas as well. Lotteries have traditionally been the exclusive domain of the Provinces; that is, until Loto Canada was voted into existence in order to help finance the huge deficit incurred by the 1976 Olympics.

Loto Canada had the support of all major political parties mainly because it was considered only a temporary fund-raising device and contained an agreement to share revenue with the Provinces; that is, one-eighth of the profits. However, the Liberals, following along in their tradition of "Give them an inch and they will take a mile", decided that if three-years of Loto Canada is a good thing, then indeed a permanent Loto Canada would indeed be wonderful. However, here in the Opposition corner we believe in the merit principle; that is, if a notion has merit we support it. But after three years of existence Loto Canada had lost its shine. It had been scandal-ridden over the course of its very short existence. The Provinces were threatening court action and wanted the complete pie, not just a slice of the action. As well, we knew full well that the Government had promised not to go ahead with extensions of the lottery corporation without the consent of the Provinces. Therefore, in our opinion, Loto Canada was no longer worthy of merit and we ceased to support it.

The sports pool was the offspring of the controversy over Loto Canada. The Government, squandering money so merrily, finally had to think of new and tricky ways to raise it. It was aware of the Provinces' continued opposition to any form of federal lottery. Not only that, but the federal Government was aware of the Opposition Parties' continued abhorrence of any proposal to create a clone of Loto Canada. Therefore, some bright light in a Government office came up with the idea of having a sports pool.

• (1700)

A sports pool could not be considered to be a bona fide lottery and therefore the federal Government would be immune to any attacks from the Provinces on the basis that revenues thus raised belonged to the latter. Not only that but the element of skill involved in selecting a winner in a baseball or table tennis match removed the potential objection that these things would attract foolish gamblers throwing away their life's earnings without a hope of winning.

The federal Government hoped this would take care of church groups and other dissenters who feel that gambling is not necessarily one of life's most desirable occupations. Not only was this form of gambling less risky and therefore more desirable for people on which to blow their pay cheques but the proceeds would go to fitness and amateur sport. You would not refuse to buy Girl Guide cookies, would you, Mr. Speaker? After all, the proceeds are going to a useful and well established group. Unfortunately, such a comparison does not ring true. The Government is trying to tell us that the proceeds from its new corporation are going to go to good causes. Why not be honest and tell us that, after all is said and done and the hefty salaries have been paid to all the fat cat executives who will be appointed as heads of this new sports pool corporation, probably only peanuts will be left for the amateur sport community?

Mr. Paproski: And they are all Grits.

Mr. Fretz: And they are all Grits, right.

Mr. McDermid: And the odd NDP.

Mr. Fretz: What is the real effect of funding from lotteries, sports pools and the like? I will tell you, Mr. Speaker. When an athletic group or volunteer organization tries to go door to door to collect funds, people will say: "I'm sorry, I can't support you. You guys get your money from the Government, go ahead and apply to the Grits; apply to the Government." In effect, the money coming from the Government effectively deters normal fund raising. When the fine print is read, there is not even an assurance to the taxpayer that the funds generated by the sports pool will even go to the proper and most desirable places. Some of the proposed beneficiaries of the sports pool include fitness and amateur sport, arts and culture, medical research, the Calgary Olympics and worthy capital projects. What proportions are to go to each body is one question I would ask. What is the definition of a worthy capital project? Would it be something built in my riding as a Conservative Member? It would be wonderful if the House of Commons were made aware of the specifics of this deal, thus helping to avoid some of the scandal involved in the Loto Canada fiasco. There should be no wording in the proposed Bill which leaves potential for abuse. Not only that, but with so many beneficiaries, no one segemnt is likely to receive a significant benefit from the winnings. That is, of course, assuming that the sports pool is profitable at all. We have no guarantee of that.

The Minister responsible has high hopes for the success of the sports pool. He states optimistically that the net annual return will be in the order of $80 million. A more realistic assessment was provided by the Ontario Minister of Tourism and Recreation. He puts the gross annual return of such an endeavour to be in the area of $30 million to $40 million. This is based on the dismal weekly sales figures of the Quebec hockey pool. If you cannot sell hockey in Quebec, then you cannot sell lemonade in the desert or a sports pool to Canadians.

Some Hon. Members: Hear, hear!

Mr. Fretz: In other words, this one sounds like a loser.

An Hon. Member: It is a racket.

Mr. Fretz: An Hon. Member says it is a racket. It is interesting to note to what extent the Government will go to promote one of its ill fated schemes. It is even going so far as to change the Criminal Code to allow the federal Government alone to operate sports pools.

Mr. McDermid: So the Grits will not be criminals any more.

Mr. Fretz: So the Grits will not be criminals. Isn't that something? The Provinces will be able to join the action, provided they come to an agreement, which you can bet will be enormously beneficial to the federal Government, the Grits. The bothersome part about all this is that the Government can now do what private citizens cannot. We have wiretapping, distilling of liquor and now the operation of a legalized bookie joint.

The Progressive Conservative Party suggests three basic amendments to the proposed Bill C-95. The main intent of these amendements is to clarify the wording. That is first. Unfortunately, we cannot passively accept any proposals where the wording is so vague as to encourage meddling in future. We, in this Party, know all about vague wording. We sit here in Question Period daily. We know the kinds of answers we get from Government Members and Cabinet Ministers.

Since the Conservative Party prides itself on clear answers and leans toward simplicity of format rather than misleading vagueness, we propose that Clause 14(b) be eliminated, this clause, which gives the Governor in Council the power to direct the corporation to manage unspecified lawful gaming "activities". Who knows what activities are meant here? Do you know, Mr. Speaker?

Mr. Paproski: Hanky-panky.

Mr. Fretz: Hanky-panky, somebody says. Knowing that Bill C-95 contains amendments to the Criminal Code, is it not possible that further amendments could be made allowing the corporation to get into any activities whether or not currently lawful? I understand that under the terms now specified in Clause 14(b), a federal re-entry into the lottery field is possible. In fact, any game imaginable might become available, cloaked under the thinly veiled respectability afforded it by the

Government "seal of approval". For example, there will soon be available video slot machines which pay cash for a win instead of a free replay. Is it beyond reason to assume that this might be the next venture the Government gets into, given the inclusion of the words "gaming activities" in the Bill?

Our next amendment is one which strikes all proposed beneficiaries of the pool, save the 1988 Winter Olympics in Calgary. This is to ensure that certain athletic organizations which would benefit by the proposed legislation do not get their hopes up too high. If there were reason to believe that the proposal were going to be a long-term success, we would not have asked that that amendment be included. After reflection, it would seem to me to give the Government a chance to save face if the sports pool does not work out. The meagre profits would go to the Calgary Olympics and the legislation would die with the melting snow in the spring. After all, it is the Members of Parliament who are in the front lines of all this.

In conclusion, I would ask that Members of all Parties consider the objections to the proposed Bill, which I have raised. Can you, Hon. Members, in good conscience support such a proposal, after due consideration? I hope that your answer is no in its present form. I know what my answer is.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I appreciate the opportunity to join this debate. I want to get something on the record right now in terms of the position the Government is taking with respect to a sports pool. The Government is speaking with a forked tongue. The Government is a prevaricator. The Government is telling the people of Canada a story exactly opposite to the truth. The Government is misleading the Canadian public with respect to the basis upon which it enters into the sports pool, and the Government is to be severely chastised by thinking Canadians for the position it has taken.

I want to explain this basic fundamental proposition that I put forward. It is a factual proposition which will be understood by the vast majority of Canadians. I will relate the history of this matter.

• (1710)

During the time when we were the Government of Canada, the Hon. Member for Edmonton North (Mr. Paproski) and the Hon. Member for Perth (Mr. Jarvis) entered into an arrangement to get the federal Government out of the lottery business. They entered into an arrangement with provincial Governments by which it was agreed that provincial Governments would accept the responsibility of carrying on their existing lotteries and the federal Government under contract would remove itself from the position of carrying on lotteries on the federal side. When the Government across the way came into power, it was in a dilemma as to how to circumvent the contractual arrangement that had been entered into by the then Government of Canada. Of course, moral implications were not of concern, nor were the legal considerations, and it finally came upon a device known as the sports pool to take itself slightly out of the ambit of a lottery in the strict legal sense of the term.

Now the Government has a system which was modelled upon Hockey-Sélect in the Province of Quebec. In order to justify this unfortunate departure from every sense of principle and legal commitment, it had to find a justification to say to Canadians, "Support us in the creation of this new sports pool". Then it glommed on to the Calgary Winter Olympics by saying to Canadians, "Everyone in Canada needs to support the Calgary Olympics which will take place in 1988, but in order to finance it we need the new sports pool legislation to be passed".

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When I talk about prevarication, forked-tongue and the federal Government saying something contrary to the truth of the matter, this is an example which can be documented. The commitment of the federal Government to support the Calgary Olympics was not tied to any sports pool. In fact, there was no specific undertaking that the sports pool or any form of lottery or other gambling device would be used to support the Olympics. The commitment was clear and unequivocal. Even the President of the Privy Council (Mr. Pinard), who got to where he is today on the basis of being one of the outstanding counsel in the small debts courts of Quebec, will agree that this proposition was really not worthy of any government representing the people of Canada.

Another example of how the federal Government speaks out of both sides of its mouth was evident in the application made to the Superior Court of the Province of Quebec in which judgment was handed down on January 26, 1983. The applicant was the Attorney General of Canada, representing the Government of Canada; the respondent was Loto-Quebec; and the Attorney General of Quebec was an intervenor. It was an application for an injunction by the federal Government against the Province of Quebec to prevent it from carrying on Hockey-Sélect. I would like to indicate what was said by the federal Government on that occasion. Quoting from the judgment of Mr. Justice Rene Hurtubise who rendered his decision on January 26, 1983, he said:

> We will first examine the arguments of the Attorney General of Canada.
>
> Specifying that he is acting as guardian of justice and in the interests of the public . . . which satisfies us as to his interest in this proceeding, the Attorney General of Canada puts forward principally the following arguments:
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> —positively, the contest Hockey-Sélect constitutes a pool-selling game or "a system designed to promote bookmaking, pool selling or betting on a sporting event, the whole being prohibited by Section 186 of the Criminal Code";
>
> —negatively, Hockey-Sélect is not a lottery;
>
> —alternatively, even if it was a lottery, Hockey-Sélect is a pari-mutuel system from the beginning to the end of the contest and, therefore, falls within the exception to the exception, namely within the scope of paragraph (6) of Section 190 Cr.C.

Then he went on to say:

> At paragraphs 11, 12, 13, 14, 15 and 18, he explains the underlying reasons for the motion:

He was referring to the Attorney General of Canada at that point. The federal Government stood in court to save the people of Quebec from this dastardly Hockey-Sélect which was poisoning the minds of the people of that Province; the Government of Canada was the saviour of the conscience of the

people of that Province. First the Government said that it wanted:

—to prevent the continuation of the illegal operation of Hockey-Sélect;

—to stop the public inducement to act illegally;

—not to permit Hockey-Sélect to continue when the federal Parliament considers amending the Criminal Code in that respect;—

—to underline that it is against public order and morality for anyone, including a mandatary of Her Majesty in the rights of the Province of Quebec, to contravene the provisions of the Criminal Code.

If I have ever heard duplicity, if I have ever heard a federal government speaking out of both sides of its mouth, this is an example. It wanted to save the morals of the people of the Province of Quebec. At the same time it brought before Parliament legislation to create a sports pool, a lottery, a parimutuel, a gambling device on which it would, on the basis of what it said in court in that instance, undermine the morals of the people of Canada. The Government is inducing people to carry on gambling which is illegal for any other institution or for any other person in Canada. Yet the federal Government finds itself in the position now of doing the very thing of which it accused the Province of Quebec in terms of Hockey-Sélect.

On the basis of the representations I have heard, the people of Canada are now fast realizing the fact that this particular proposition for a gambling pool has no basis of relationship to the Calgary Olympics; it has no validity because of the Calgary Olympics. More and more Canadians are becoming concerned about the moral side of the federal Government involving itself in lotteries, pools or gambling devices which are a tax on people least able to afford it. Gambling is a tax on the poor. It is a tax on people who try with what little money they have to invest in a ticket in order to attain some sort of monetary independence. It is a sad, sad proposition when the federal Government is so unable to manage its affairs that it creates a tax on the poor people of Canada.

Today I received a telegram which I would like to read. It reads:

On May 29th over 500 delegates to Saskatchewan Conference, United Church of Canada, unanimously passed a resolution to urge the Government of Canada to abandon its intention to re-enter the lottery and gambling field in any way including sports pool. Please do all you can to stop Bill C-95.

It was signed by Merv Harrison, Chairman of the National Working Unit on Social Issues and Justice. The United Church of Canada understands what is going on here; the people of Canada understand. I oppose this legislation because it is wrongheaded and deceitful. It is based upon the premise that the poor people of Canada have to support the mismanagement of the Government. The Government of Canada ought to do better, carry out its contractual obligations, stay out of the lottery business and do Canadians a big favour.

• (1720)

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I want to discuss some aspects of Bill C-95, an Act to provide for Government operated sports pools. I am personally opposed to the Bill for many reasons. The area I will be covering at this time will be the wide open use, or perhaps I should say abuse, of the game which the Government is trying to force upon Canadians.

I find it personally disgusting that the Government should try to convince Canadians that this is necessary to support Canadian athletes at the 1988 Winter Olympics together with the facilities by saying that this is the only way it can be financed. That is not true. The Government knows full well that all Provinces have agreed to share in their lottery returns to help finance the Calgary Winter Olympics. Another pool or numbers racket, and that is what it is, is being used so that once again, as one Liberal MP put it, and I will not mention names, "You guys shouldn't oppose this thing because in a year's time you will be able to use it for patronage like we are doing". That is a great line. The Minister gives me a funny look. Let me run down some of the expenses that have already been paid on this lottery and who received the money.

Let us talk about the definition of financing and accounting systems to Howard and Associates, and also a definition of financing and accounting systems of the $3,512 paid to Dr. Martin O'Connell. I understand that Dr. Martin O'Connell was once President of the Liberal Party of Canada, not too long ago.

Some Hon. Members: No, no.

Mr. McDermid: He received funding shortly after he ceased being a Member of Parliament. Goldfarb Consultants, Research, $16,000; Pugliese Consultants, $875 for research design and review; Howard & Associates, sample ticket design production; G. Kightley & Associates, ticket design and production, $18,300. There are two or three companies doing the same jobs. They are all Liberal companies being paid out of the largesse of a corporation that has not yet been formed.

This just covers from January 1, 1981 to October 6, 1981. Heaven knows what has gone on since then. SOMA Research Ltd., generation of alternative games, research design and review, $22,800. Everybody is designing something and reviewing it. Somebody by the name of P. Woodcox, research—it does not say what research—$3,850. That must have been a heavy study for that kind of money. M. C. Burns & Co., development of gaming projects, $1,250. I do not know Chris Lang, but he got paid $13,995 for liaison with professional sports leagues.

That is an interesting one. That one should be explained. It has not been explained. This individual got paid almost $14,000 for liaison with professional sports leagues. What are they doing, cooking the numbers already? Why we are associating with professional sports leagues? That is where the numbers will come from. What do they have to do with this lottery? Why is there a liaison with them? What exactly is going on over there?

This lottery is nothing but a great big pie in the sky project. It is a porkbarrel for every Liberal hack that can be found from coast to coast in Canada. When this thing is formed, if it gets through the House, and we will make sure that it does not, I will be anxious to see who is appointed as chairman and board of directors of this numbers racket.

This is one lottery that should never come into existence. Competition for the discretionary dollar between the Provinces

and the federal Government will once again get completely out of hand. Millions of dollars will be spent advertising against one another's lotteries. Funding will go to the same types of projects where co-operation is now working. Money is coming into the federal coffers for the exact things that this pool or numbers racket is supposed to finance.

I remember a meeting in 1976 with the then Minister of Industry, Trade and Commerce, now the Minister of Energy, Mines and Resources (Mr. Chrétien). He pleaded with the Ontario Government to give up its lotteries until the Canadian lottery had enough money to pay off the Olympics. That was to be it. We were never to hear about that lottery again. It would be gone. Once we paid off the Olympics, we would forget about it. It was not to be used for anything else. The Provinces could bring back their lotteries and there would be no competition with one another. That is what the present Minister of Energy, Mines and Resources said in 1974 when he was saddled with the debts from the Olympics.

What happens now? The Government comes in with another numbers racket that will take the discretionary dollar from many areas. My colleague, the Hon. Member for Scarborough East (Mr. Gilchrist) said that this would damage the very important horse racing industry in this country. It will damage provincial lotteries which at the present time are competing for the discretionary dollar. It will be nothing but a huge Liberal porkbarrel.

The Calgary Olympics is being used in a very unfair way by this Government in order to promote this lottery. The Provinces are now prepared to strike a deal with the federal Government to help finance the very important Olympics that will be held in Canada in 1988. We do not need this so-called sports pool or numbers racket to raise moneys for the Government to hand out to blow itself up in the field of amateur sports. It does not say what amateur sports will be covered. It also states that it will be used for capital projects, but it does not say what capital projects it will cover.

It is interesting to note that after we have been debating this for over an hour, the Minister who is promoting this numbers racket so extensively has finally made an appearance in the Chamber. I will close by saying that we oppose this Bill. The evidence presented today is that the porkbarreling has already started. The Liberals are receiving largesse from this numbers racket or sports pool which it is trying to perpetrate on the Canadian people. We are unalterarly opposed to it and will fight it to the end.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is a pleasure to speak to Bill C-95 at report stage, in particular to Motion No. 2 in the name of my good friend the Hon. Member for St. Catharines (Mr. Reid). Before getting into my presentation proper, I want to avail you of some fine remarks made in 1732 by Henry Fielding who said at that time:

A lottery is a taxation,
Upon all the fools in creation;
And Heav'n be prais'd,
It is easily rais'd,
Credulity's always in fashion:
For folly's a fund
Will never lose ground,
While fools are so rife in the nation.

In the eyes of the Liberal Party, there are many fools in this nation who can be persuaded to give up some of their hard-gotten gains so that hon. gentlemen opposite can spend it as they see fit. My colleague to my left gave some illustrations of how they have spent some of this money already.

The argument over lotteries, both private and state-run, has waxed and waned for hundreds of years. In some research that I performed in the last five minutes, I found that it was in 1826 that the last British state-run lottery was held. At that time a Bill was passed which outlawed state-run lotteries. It heralded an era of Victorian morality. This concept of morality spread across what is now know as the Commonwealth, and also come to Canada at that time.

My personal preference is not to have state-run lotteries. It had been my intention to make the argument in favour of that position on the basis of morality and ethics, but I realized the futility of arguing on the basis of ethics and morality in a House that is dominated by Liberals. If we are to have this type of gambling activity in Canada, and it is not necessary for us to put it all aside, I would prefer that it remain within the private domain rather than be conducted by Governments, whether they be at the federal or provincial level. The main reason for this is that if we are to have gambling, it must be subject to certain strict controls. Whether that gambling be horse racing tracks, dog racing tracks, bingos or any other form of gambling, it is impossible for the Government on the one hand to be the regulator and policeman and make sure that these things are run properly and honestly and on the other hand to be a player in the game. It is almost impossible. We have seen on so many occasions how the Government opposite wants to be the judge, jury, regulator, policeman and, at the same time, the player. We have seen this in the oil and gas industry with Petro-Canada being one of the players in the game when the Government should be content to be the regulator of the oil and gas industry.

• (1730)

If gambling in Canada was to be privately operated, the Government could still raise a revenue from it by means of taxation. It does this already with horse racing. Look, for instance, at the state of Nevada. Nevada receives probably its greatest state revenues from the gaming industry in Las Vegas and other localities. There is no reason why the Government cannot avail itself of some of these revenue-generating opportunities.

In the past, each nation has had its own national form of ganbling. Lotteries have been commonly associated with European and South American countries. In those countries that are without a proper welfare system, the sale of lottery tickets by people who are unable to find other means of employment provide a substitute for the proper welfare payments that are available to us in Canada. In Britain, there were the soccer pools. I presume there are still soccer pools over there.

In Canada, our national form of gambling was always the penny stock market. I see that the Minister of State for Mines (Mrs. Erola) is present, and I am sure that she would agree with me that something very useful came out of this form of gambling or speculation, and in a few moments I would like to discuss the differences between gambling and speculation. Canada created, through the development of mines financed through the issuance of penny stock, a great new wealth. Although, in many cases, the people who bought and sold these stocks did not buy them by way of investment—as far as they were concerned, they were gambling—the end result was the same. Even without dealing with penny mining stocks or penny oil stocks and dealing with other stocks or commodities that are traded in this country and others, the gambler or the speculator increases the liquidity of the market. This therefore provides an underlying economic function that we do not find with the strict gambling that is contemplated under Bill C-95.

Another argument against the lotteries that we already have in Canada and against the sports pools as contemplated in this Bill is that if we look at the figures—and I am afraid that I do not have them with me today—we will see that from the point of view of the gambler who is the person who puts his money up, the return is much better at the craps tables in Las Vegas than it is when buying provincial lottery tickets in Canada or federal lottery tickets when we had them. It seems that the Governments that run these lotteries are much too greedy and are taking off a much larger cut than they should and a much larger cut than would be allowed if the Government were the only regulator and policeman rather than also a player in the game. It seems that the Governments in the country cannot resist the temptation to milk the public for all that it is worth.

I shall say a few words now, Mr. Speaker, on Motion No. 2, which, at any rate, is the motion we are supposed to be debating. This amendment would restrict the Government, under Bill C-95, to operating only sports pools. What the Government wants to do in the present Clause 14(b)(i) is give itself blanket authority to undertake any form of gaming or gambling activity that it sees fit. I do not think that we should give the Government that blanket authority. I do not know what it would get itself into. I envisage the possibility of poker machines scattered throughout the confines of the House of Commons.

I see a distinct possibility of the federal Government returning to the lottery schemes that are run by the Provinces, and I do not think that it should want to compete with the Provinces in that type of enterprise, if that is the right word for it. We debated this subject over a period of years, and it was finally determined that lotteries should remain in the provincial domain and that the federal Government should keep out of them. I am frightened by what nefarious scheme the Government might come up with if Parliament were to grant the Government that blanket authority to undertake any form of gambling activity.

We want to restrict the effect of Bill C-95 to sports pools, as bad as they might be. We really do not know what the Government is thinking of when it talks about sports pools. It has not told us exactly what it has in mind. I understand that it has paid many thousands of dollars to various Liberal consulting firms to dream up schemes that might be incorporated into its gambling practices. So far, it has not been forthcoming with Parliament by telling us really what it is that it wants to do.

If the Government were to adopt a scheme similar to the privately run but Government taxed soccer pools in Great Britain, the potential revenues from the operation of sports pools could be huge. I understand that in that country, many, many millions of dollars are wagered each week on the soccer pools. The Government, by this Bill, restricted as it must be to the operation of sports pools, has the possibility of generating millions of dollars worth of revenue.

In conclusion, Sir, I want to say that I support the Hon. Member for St. Catharines (Mr. Reid) in his Motion No. 2. We are giving the Government quite enough authority as it is and we cannot let it engage in any of these other nefarious schemes that it might dream up without its returning to Parliament to get more authority.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, this is the first opportunity I have had to speak on this legislation. I will address my remarks to the motion proposed by the Hon. Member for St. Catharines (Mr. Reid).

Mr. Smith: The folks in Calgary are listening.

Mr. Andre: The Parliamentary Secretary to the President of the Privy Concil (Mr. Smith) has spoken up about the importance of this legislation to the people of Calgary, Mr. Speaker. Why is it so much a part of the Liberal Government's approach to public policy to use and abuse Alberta, and Calgary in particular, for its partisan purposes? The Calgary Olympic Committee was formed a number of years ago and consists of citizens of Calgary, not Government, who are volunteers. They sought to bring the Winter Olympics to the City and to Canada for the first time. This seems highly appropriate. Without "big brother" providing funds, without the benefit of patronage connection to some Government, with no motive other than to provide this thrilling event for their city, their Province and their country, these citizens work hard. They sought a moral commitment of support for the games from the municipality, the provincial Government and the federal Government should they be fortunate enough to win the right for Canada. They worked for years and put together a superb package which won the approval of the International Olympic Committee.

• (1740)

The citizens of Calgary applauded their efforts and one would hope that the Government of Canada would also applaud their efforts and offer help to make the Olympics the show piece that they should be for Canada. Instead, we see the use of crude, political pressure. These members of the Olympic Committee, these volunteers, are trying to plan facilities and organize the games into something of which Canadians can be proud. Yet the Minister and his minions telephone them

saying, "We cannot give you any money unless we get this sports pool Bill through the House, so you had better pressure the Opposition to get it through—pressure them into agreeing to this new gambling scheme. Otherwise you will not get your money."

These volunteers continue to work. They are not out for any patronage benefit. They will not have the rights to sell these tickets and make some money, and they have not signed consulting agreements to pick up the cash that the Government bestows on its friends. They are doing all this for nothing, but they get pressure and threats. They are told, "We do not know if we are going to give you any money. It depends on the House of Commons. We told you before that we would support you and we supported the Olympics in Montreal. We made a commitment but you know we are with commitments—they mean nothing."

Mr. Regan: Mr. Speaker, would the Hon. Member accept a question with the unanimous permission of the House?

Mr. Andre: Yes, Mr. Speaker.

Mr. Regan: Is the Hon. Member aware that before the Olympics were awarded to Calgary and when these volunteers—these excellent people he mentioned—approached the Government of Canada saying that in Baden-Baden they must show that they had financial support, they were told that it could not be given from taxation dollars but it could be done through a coin program, a stamp program and a sports pool program? That was the understanding with the Government from day one.

Mr. Andre: Mr. Speaker, I am aware that when the members of the Canadian Olympic Committee went to Baden-Baden to make their application, they carried with them a commitment of the Government of Canada to support the application for facilities. The Government is collecting money from the Loto Canada contract and it has given a commitment of support. The mechanism has nothing to do with the question. The Canadian Olympic Committee did not go before the International Olympic Committee and say, "We do not know how much support we are going to get; it depends on our stamp, coin and sports pool sales. We cannot tell how much support the federal Government will give us." They went with a commitment from the Government to support the Canadian Winter Olympics.

No other city in Canada would be so used and abused, Mr. Speaker. No other group of volunteers would be so used and abused the way the Calgary group is. It seems to be a part of the system. Whether we are dealing with the Olympics or anything else, it is acceptable to the Government to use that king of crude pressure. It is especially hard to take when it is talked about in the same breath as national unity and important symbols.

If the Minister is sincere in saying that the interest of the federal Government in the sports pool is solely to help the Calgary Olympics in 1988, then he will agree with Motion No. 2 to strike out Clause 14(*b*) which extends the legislation far beyond what he just mentioned. It says that the Governor in Council can open up any form of lawful gaming activity as a source of revenue for whatever purpose the Government wants. If the Minister is sincere, let him accept the motion, strike out Clause 14(*b*) and restrict the Bill to the sports pool. If he is sincere, he will accept Motions Nos. 2 and 3 and restrict this to the Winter Olympics. That would prove his sincerity, but I do not think it is likely to happen.

Some of my colleagues have raised the question of the morality of the Government of Canada asking for the right to do what we do not think Canadian citizens have the right to do, namely, to run gambling establishments, run a gaming house, to exploit the human weakness of trying to get rich for nothing and to make money without providing goods or services. It offers the allure of gambling. If we were sincere and honest we would recognize that as a human weakness and not something to be encouraged and exploited by Government any more than other human weaknesses should be exploited for the benefit of Government.

It has been said that the reality of the situation is that taxes on gambling are a tax on the poor, and the data confirms that. There are those who do not have a lot and who hope to achieve their dream through a lottery ticket or a sports pool. Surely it is a sad situation when the Government of Canada sees an opportunity for revenue in this. It is revenue which has a real attractiveness in the political sense because it can be used for patronage purposes by granting the right to sell tickets to our friends by all of these contracts which have been talked about. It is money which, strictly speaking, does not go through the Consolidated Revenue Fund as do other tax dollars. It is money which can be used for really nice political purposes to help "us" get re-elected. That is wrong, Mr. Speaker. It is just plain immoral. The Calgary Olympics will succeed because of the Calgarians who are working on it, managing it and putting it together. It will succeed. It will be an outstanding success in spite of this Minister's attempt to undermine the confidence and the support which this group requires.

• (1750)

Mr. Regan: That is rather unkind.

Mr. Andre: The Minister says that that is unkind. If he would say right now that he stakes his reputation as a Minister and guarantees the Olympic Committee the support which was promised to it when it went to Baden-Baden, if he will do that, then I will withdraw my statement entirely? If he will do that simple thing, say that he as the Minister responsible guarantees that the Government of Canada will live up to its commitments, that is all that is necessary. If the Government guarantees it will live up to its commitments, then I will withdraw my remarks entirely. I do not believe that that is likely to happen, Mr. Speaker, because it has not happened so far with this bunch. Perhaps they will turn over a new leaf, but I am not expecting it.

Mr. Chuck Cook (North Vancouver-Burnaby): Mr. Speaker, when I looked at this legislation I tried to see if there was

anything good in it, anything which I could accept, or anything which made any sense at all. Regretfully, I could find absolutely nothing in this legislation except that it made me feel somewhat embarrassed that this country could have such a Government which would deliberately, maliciously and viciously go in for living off the poor and living off gambling.

At the moment, Ontario residents are the biggest lottery spenders per capita in Canada, the fourth largest in North America. They spend an average now of $63.95 per person a year on lotteries. That is more than double the amount for the rest of Canada where the average spending is somewhere about $30 per person. I am even wondering if in my own Province of British Columbia, people understand that there is between $70 million and $80 million a year which flows through lotteries. I am not against an individual who wants to make a bet with the guy at the next desk over the hockey game on a particular evening. That is a simple transaction between two consenting adults. Neither one of them is going to be hurt. However, when you institutionalize the sports pool, and you ask people to select the winners of ten games—and that is really what a sports pool is, similar to the English pools—that is not what I would see as showing the ability of someone to select who is going to win and who is going to lose because they are experts in a particular sport. If you multiply the permutations which are involved in picking 10 or 12 games, you are buying a lottery ticket and that is all you are buying. It is just another lottery, regardless of what it is called.

We now have this nonsense about support of the Calgary Olympics. You can always trust the Liberals to find a red herring somewhere, or somewhere to trans-affect what is really taking place. From what I can gather, this Government could not care less about the Calgary Olympics, but it is a nice excuse to hang this fraud upon the Canadian people. "The Calgary Olympics do not get the money unless we get our sports pool", is what is implied. That is supposed to make those of us from western Canada very careful of what we say about this rather unfortunate legislation. We are supposed to lie down and pretend that, by golly, Calgary has to have support and this is the only way to get it. The Government of Canada must support the Olympic Games. I believe it is true in Ontario, and I believe even in Quebec the Liberals will find that Canadians want the Calgary Olympics fully supported by their national Government.

Let me give a little history now, and I suppose a bit of "mea culpa". I can remember in the early 1960s when a little lady by the name of Mary English in the City of Calgary became very excited about Canada's lottery laws. She found some support, raised some money, made a pilgrimage to Ottawa, appeared on radio stations, and gave interviews right across this country. I do not know where you are now, Mary, but I know this much, that I am sorry I supported you. I did not realize what was going to happen if her campaign succeeded, which it did, quite frankly. It changed the thinking of Canadian people about lotteries. So that today we have a situation where we now have super loto. It costs $10 per ticket. That is not what Mary English had in mind. Ten dollars is a lot of money. A few $10 bills put together buys an awful lot of things. When you multiply it by hundreds and hundreds, it is a significant portion of Canada's national product. For the winners there is $1 million. However, the odds are about 800,000 to one. The provincial lottery is $5 per ticket. The top prize is $500,000. Again, the chances are 800,000 to one. Wintario—there is something for everyone in the lottery field—is $1 per ticket. Top prize is $100,000. The odds are a million to one. Lottario costs $1 per ticket. The odds—you should not buy "Lottario"—are 3.2 million to one. Cash for life costs $2 per ticket. The top prize is $50,000 per year for life. The odds are 1.4 million to one. The Pot of Gold costs $2 per ticket. The top prize is $100,000. The odds are one million to one. Then there is Loto 649. If that is not close to what we are proposing with the sports pool, then I do not know what is. It costs $1 per ticket. The top prize is $1 million. The odds are, believe it or not, 13,983,806 to one. What do you suppose the odds are going to be on anyone actually cashing a sports pool ticket? The odds are going to be astronomical because it is a numbers game. Picking that many games is almost an impossibility.

What really has disturbed me about this legislation is the lack of protest in the country. I have always believed that people get the Governments they deserve, with perhaps the exception of the Canadian people in the last three years. Where has the massive protest from the recreational industry of Canada been? Do they not realize that when people are buying these ruddy tickets, those dollars are going into something where there is no real output in terms that make sense for their industry? There have been some protests from the churches. Reverend Much more, where are you when we really need you badly? We certainly can use you on this rediculous legislation which is being proposed. Where is the massive protest? Some have protested, but not nearly as many as should.

Where is the moral indignation of the Canadian people at a Government which will foist this on them? I believe part of the answer is that there is no doubt that this particular bit of legislation is likely to be "steamrollered" through. This Government is going to force this upon us whether we like it or not. That is rather unfortunate because I think that if its Members listened to some of the speeches here, as I have this afternoon, and some of the other speeches which are going to be made, it would find that a good many of them make a good deal of sense in terms of modifying this Bill or finding reasons why this legislation should not be passed. Unfortunately, the problem with the Government is that once it does something, it is like a brick wall and you can never get it to change. Even if it thought it was wrong, it would not admit it. That is what bugs me about this legislation—it is wrong. It is wrong for the Canadian people. It is not as if Canadians did not have access to a lottery ticket, a home grown lottery ticket, if you like. They do now, in several areas, and at tremendous odds. For those persons who want a lottery ticket, fine, they can buy one. But to foist this one additional sport pool lottery on top of anything else and, I might add, to change the law in such a

way that it totally opens the door for other Ministers to play with this thing, to expand gambling in Canada in a variety of ways, doing it by Order-in-Council without ever having to come to the House again or to ever have it publicly debated properly in the House of Commons is, to me, the most dangerous feature about this particular legislation and the proposed changes to the Code.

• (1800)

I will be voting against it, of course. I will be voting against the Government all the way on this one, and talking about it in years to come. I would also warn the Minister that his projections may be wrong. It just may be that the Canadian people have become satiated with get rich quick schemes where the odds are a million to one. If that happens, then what he has done has been to waste the Canadian people's money in setting it up, in paying off patronage to all kinds of people.

Mr. Regan: Oh, no, no.

Mr. Cook: Oh, no, he has not wasted the money. All one must do is look at the list. It is a Liberal boondoggle. It is wrong. It is bad. The people of Canada should rise up in righteous indignation and say to the Government, "Do not do this dastardly deed, because you should not". The Government ought to be ashamed of itself for even suggesting such an immoral, impossible, improper thing to the Canadian people. I find myself embarrassed to have to debate such a moral issue in the House of Commons, particularly when it involves something that is so useless and unnecessary in this country.

The Acting Speaker (Mr. Blaker): Order. In the ordinary course of events, the Chair would now recognize the Hon. Member for Kamloops-Shushwap (Mr. Riis). However, I have been indirectly informed that the Hon. Member for Carleton-Charlotte (Mr. McCain) may have some pressing obligations. I leave it to the two Hon. Members to indicate to the Chair in which order they wish to proceed.

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I thank the Hon. Member. In principle, I do not believe in gambling. Anyone who has been in the army, for instance, has seen it take place excessively. Anyone who has worked in the woods camp knows that for an orderly, peaceful woods operation one does not play poker. Anyone who has been associated with the Legion in this country after World War II knows that. An attempt was made after the war to extend to members of the Legion the opportunity to continue some of their former habits, one of which was gambling. Anyone who has been associated with a branch of the Legion is aware of the fact that in virutally every instance, the gambling opportunity had to be removed. Everyone knows that service clubs have tried on several occasions to raise some of their funds for their requirements with slot machines. They have found that in the main their members went broke. While the club became rich, the members went broke; some of them, not all of them, because not all people are compulsive gamblers.

The Bill, therefore, is absolutely contradictory to the principles which would support a moral operation of the olympic games in Canada. That is the first point. My principles tell me that this is a dead wrong and immoral act by the Government of Canada to try to exploit the gambling instincts of the people of Canada to fulfil an international obligation as well as a local obligation in Canada. Let us deal with the international obligation.

There are nations which are involved in a treaty type of agreement with respect to the conduct of Olympic games in this world. Any application received from any country in the world is accompanied by a recommendation from the responsible Government and, in the case of the federal Government of Canada, an indication that there will be fiscal responsibility. Oh, yes, Mr. Speaker, and without that inherent guarantee and the recommendation of the Government concerned no Olympic game would be extended to any country.

There was another little hassle over a very comparable measure in the House before the present Minister of State for International Trade (Mr. Regan) became a Member of the House of Commons. In the consultations and considerations with respect to the financing of the Olympic games in Montreal it was made very clear to the committee that the favourable recommendation of the Government of Canada for the Summer Olympics in Montreal certainly included a guarantee of fiscal capability. That guarantee was given by the Government of Canada.

The Minister may shake his head but I ask him, before he opens his mouth after shaking his head, to explore the standards by which the International Olympic Committee will extend the privilege of conducting games in any country in the world. The national Government's recommendation and support are inherent to the guarantee of fiscal responsibility.

Therefore, it is not playing perfectly honestly with the people of Canada, at best, to say, "Oh, the Government of Canada must have this Bill through by June 30". It is quite improper to say that; it is deceptive. That approach to the Olympic Committee of Calgary, to the Olympic Committee of Canada and to the athletes of Canada is absolutely and utterly ignoring the absolute guarantee of financial responsibility which was included in and interpreted as such a guarantee when the Government's support for the application went before the international committee that allocated the games. That is the first point.

Second, for any Minister of the Government of Canada to say to any local committee that it shall be financed for the sponsoring of these games in a particular way and only in a particular way is (a) a threat to the sponsors of Calgary and (b) a breach of the international obligation which this nation look on.

I want to say to Your Honour that anyone in this nation who thinks there is anything but a threat to the Olympic athletes, the Olympic Committee and the city of Calgary had better become familiarized with the terms and conditions, on an international basis, under which the Government became responsible.

I do not like deceptive methods. Yes, the Minister responsible for sports did, in fact, dissolve one loto set up by the Government of Canada. This was in fact returned to the authority to which it belonged, namely, the Provinces. When there is a mere $90 billion budget in the nation, to say to the people of Canada that we must have a loto and exploit the gamblers of Canada to finance the athletic games which will be conducted in 1988 is deception at a disgustingly low level.

I do not favour lotteries in a public sence because of the exploitation of the compulsive gambler to the detriment of his family's well being. After all the lessons learned about the impact upon the family welfare of the compulsive gambler, for the Government of Canada to be bringing in this kind of legislation is contempt of its moral responsibility.

There was an offer made to the Government. Why did it not take it up? Why did the Government not take up the voluntary offer of the provincially conducted lotteries in this nation to conduct a special program to finance the Calgary deal? Why does the Government want to get into every aspect of gambling available to mankind by the permissive legislation it is trying to get us to pass and which we are trying to amend? I hope this nation understands the outright deceit the Government is placing before athletes in Calgary and this nation as it tries to boondoggle the House into the necessity of passing this legislation; it told Calgary that it can only give it what it can get from a lottery. That is simply horseradish.

• (1810)

It is most difficult to understand what has happened to all those voluntary groups in the country which used to put baseball, hockey and other athletic teams together as a community effort. People were prepared to put money forward in their community to support those endeavours. Ever since the initial introduction of lotteries in Canada, those same organizations ask how much they can get from the Government whether provincial or federal. Why should they raise money? Why should there be an interest in the community any longer to try to field these teams which contribute so much to the communities? Why should they build a tennis court or a rink? Lotteries have had a very derogatory effect upon the initiative in communities of Canada since Government moneys have been allocated on a political basis from a gambling organization to support this type of event.

In principle, I denounce this Bill, and I doubly denounce the deceptive way it is being presented to Canadians. I feel sorry for misled Calgarians who believe they will only have the Olympic Games if there is a lottery. That is a downright disgraceful and deceitful proposition.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am very pleased to have an opportunity today to speak against this particular Bill. Normally, I would relish the thought of making comments on a Government or an Opposition Bill, but I find this Bill particularly distasteful for a number of reasons. One is the link which has been made between this Bill and the Calgary Olympics. I want to say here and now that I and my Party obviously support the Olympics being held in one of our finest cities in western Canada. I am sure that all Members of the House are proud of Canada's athletes and the fact that we will host this competition, inviting athletes from around the world. We wish them the greatest success. We also support fitness and sports in general. We support the concept of fitness, recreation and other leisure activities.

However, the Government has given the impression that those who speak against this Bill also speak against the idea of the Olympics and fitness and health in general. That is absolutely false. As Opposition Members, we are trying to say in the House today that we are in favour of those activities but opposed to this Bill.

This Bill proposes to provide money for activities such as the Calgary Olympics, arts and culture in Canada, fitness and amateur sports, medical and health research and worthy capital projects. These are all projects which I believe all Members of the House strongly support. They are all worthy of the appropriate support from the federal Government, along with other levels of Government.

However, we feel very strongly that these worthwhile endeavours should not be funded on the backs of Canada's poor. If these are legitimate activities—there is no question that they are—they should be funded from general revenues, so that those who are able to pay, do so. The taxes and moneys for these worth while endeavours can be collected in an equitable fashion from our tax system; the myth of course being that our tax system is equitable and fair, and that is an entirely different matter, but at least it is the basis upon which we have a so-called progressive tax system in our country. If these are worthwhile endeavours, let us fund them properly from the general tax base in Canada and not by a gambling cassino approach to health, fitness, amateur sports, culture and arts and the Olympics.

This Bill institutionalizes gambling in this country. It sets up a gambling business on a permanent basis, endorsed by the federal Governemnt of Canada. Imagine the message being sent to Canadians from all walks of like and all regions at a time when they are desperately looking to the federal Government for leadership and direction. These are confusing and difficult times at best. The people of this country are looking to their national and regional leaders for advice. What advice is the Government of Canada giving to Canadians? It is telling them to gamble. It believes the answer to funding some of the most worthwhile endeavours in our country is to set up a gambling cassino so that all Canadians can gamble. That is the message being conveyed by the Government.

I am one of those Members of the House of Commons who does not believe that people should gamble as a way out of an economic dilemma. Gambling is not the answer to obtaining the necessary cash flow for individuals, their families or communities. I suggest the Government is providing poor leadership when it encourages people to pull $5, $20, or $100 bills from their pockets to participate in this federal Government gambling business. What sort of message does a Bill like this send to the people of Canada?

If we believe in amateur sports and fitness, in arts and culture, medical and health research, is it not time we began spending money collected from legitimate sources, using legitimate methods, as opposed to asking people to get rich quick by gambling? Perhaps that is good Liberal advice because it falls in with Liberal economic planning. I have always considered the Liberal approach to economic planning as being the Las Vegas school of economics; go out and gamble on the longshot. Of course, the longshot for the Liberal Government was called the megaprojects in western Canada or, more precisely, the energy projects. That was the Liberals' gamble. If the card they played had been the right one at the right time they would be laughing. The funds would be rolling in and all of the programs, the porkbarrelling and patronage would be flowing in all directions and they would be well off electorally as well as economically. However, the gamble did not pay off. All the eggs in that one basket called the megaprojects in western Canada failed because the right card did not come out.

The Liberal Government is now asking Canadians to use that same mentality. It is telling the average citizen of Canada who is struggling to make ends meet, the average small-business person, the farmers, the ranchers and fishermen of Canada who are struggling to establish their families' cash flow, to follow the Government's great idea to buy these tickets and spend their hard earned money because they might strike it rich. It says that they should not feel badly if they do not strike it rich because the money they invest will be used to pay for such things as medical research and the development of arts and culture in Canada.

This Bill is almost laughable. It is a sad comment when we see Ministers standing up during these tragic economic times to say that this is the answer to funding these worth while endeavours. Their answer is to turn Canadians into gamblers and Canada into one large Las Vegas. We in the NDP believe this is exactly the wrong approach. This is not the right step. This is a program that has not been thought through carefully. If it is a well thought out program I should like to hear Members opposite stand up and condone gambling; say that gambling is the best interests of the country, that gambling is in the best interests of our economy and in the best interests of arts, culture, amateur sport and fitness and so on.

• (1820)

In closing, let me say with disgust that this kind of approach to economic development, to the funding of the arts, sciences, sports and fitness is a sad proposal put forward by the Government of Canada; it is a sad proposal. The only thing I can say is that as Opposition Members we will be doing what we can to voice our opposition, and to try to bring the Government to some sense. There are much better ways to fund these worthwhile ventures, such as the Calgary Olympics, than turning the nation into one national set of Las Vegas players.

Some Hon. Members: Hear, hear!

Mr. Jack Shields (Athabasca): Mr. Speaker, I appreciate the opportunity to speak on this Bill. Before I begin the remarks I wish to deliver in the short time allotted to me, I want to say that we have had from the Hon. Member for Kamloops-Shuswap (Mr. Riis) a prime example of the kind of government the NDP would envisage for the country; a Government that would decree what the people should or should not do, not the other way around, the Government being the servant of the people.

I would like to suggest to the Hon. Member for Kamloops-Shuswap that lotteries have existed for a long time in some form or another in every community across this country. There are turkey raffles, car raffles, and car bingos. These are all a form of lottery. It is quite accepted that this is the way money is raised in communities to build parks, swimming pools and other things. As a former Kinsman and a former Rotarian, we did a number of these things for the good of the community. People knew what they were doing. People recognized the odds against them when they bought those lottery tickets.

The Hon. Member, like the rest of the NDP, says "no, that is wrong. Even though you want to do it you cannot do it because we know best. We will dictate to you and we will lay it out because it is morally wrong", or whatever. I do not take exception to the lottery system if that is what the people want. People have always bought lottery tickets. They buy tickets when a car is raffled, when a cake is raffled, when coins are raffled, or whatever. It is done in virtually every community of our nation. That is fine if that is what the people want to do, I believe in freedom for those people to do that.

I take considerable exception to this Government bringing in Bill C-95 at this time. It is sleazy, underhanded and wrong; not because it is another lottery but because an agreement was signed with the Provinces stating on behalf of the federal Government, "We will not enter into the lottery system." This Government took it to the courts for a legal opinion. That legal opinion received by the Minister was that the federal Government could not go into lotteries because that process had been signed away to the Provinces.

Let us look at what the Government is doing. From 1979 the federal Government was to get $24 million a year for doing absolutely nothing but leaving the jurisdiction of the lottery system and lottery games in the hands and the purview of the Provinces. This $24 million a year the Government got for doing absolutely nothing was tied to the Consumer Price Index. This year it looks like the federal Government will receive $32 million in revenue. Since the agreement was signed the federal Government has received close to $100 million for doing absolutely nothing except allowing the Provinces to control the lotteries.

The provinces are better able to protect against abuse, and better able to run the lottery system. But the federal Government has seen the potential revenue it might receive. The federal Governments now uses the argument that it takes skill to pick certain winners and therefore this system is no longer a lottery. The Government saw the possible loophole in relation to sports pools. The federal Government knew full well that the then Minister of State for Fitness and Amateur Sport and

Multiculturalism in the Conservative Government signed an agreement with the Provinces that was legally binding.

Mr. Regan: It was not his fault.

Mr. Shields: It was binding enough to make the breach of that agreement a very serious matter. But what does the present Minister for amateur sport do? In a very sleazy way he finds a loophole and says "We are going to have a sports pool because it takes skill to pick all the winners in a professional sport. Therefore the loophole exists, and we will start a sports pool." But, Mr. Speaker, this is a lottery, it is not just a sports pool.

The Minister then ties this to the Calgary Olympics and says there will be no money for the Winter Olympics in 1988 unless we have legislation passed. Yet we are looking at probably $30 million a year over the next four years, far in excess of the amount needed in Calgary, particularly when you consider the coin and the stamp program the Minister mentioned.

The federal Government with its great ability in the use of the advertising media has become the largest advertiser in Canada of any single corporation. The federal Government can hide an advertising blitz in any department it wants. As a result, this lottery pool will be detrimental to the present lottery programs running in western Canada, Quebec, Ontario and the Maritimes. This Bill is wrong on those grounds.

Once again, we have a federal Liberal Government that signed an agreement not honouring that agreement, but working around it. We have seen agreement after agreement the federal Government has worked out with the Provinces put aside when the federal Government does not like the way the Provinces are handling a program, or sees something it is missing out on. The federal Government says "No, we are going to pull away from that agreement." We saw this in respect of resources in some of the Provinces. We see the same Government breaking its word in exactly the same way.

If we allow this legislation to go through for sports pools under federal jurisdiction we will again see abuse, because this legislation will not be subject to the scrutiny of the Auditor General. We are creating another Crown corporation. The federal Government has told us we will have to put up $20 million front money to get this sports pool going in the first year of operation. The federal Government will then distribute these so-called sports pools systems across the nation through 135 wholesalers. Those 135 wholesalers will be good Liberal Party hacks who will receive $150,000 to $250,000 a year just because they are wholesalers and because they have been given the smile by the Minister. The Government will provide Party supporters with opportunities to make money out of these sports pools. There will be no auditor to control them or to see who is blessed with selling the tickets which the Government will advertise right across the country. There will be another 6,000 kiosks for people to earn $30,000 or $40,000 per year from the proceeds of sports pools. This is a great big political porkbarrel. Again it will be a Crown corporation totally outside the purview of the House of Commons and not accountable to the Auditor General. This is not the time for the federal Government with the deficit as high as it is to establish another Crown corporation. We all know that the Liberals are running low in the polls and have to do something to get their fortunes back into line. Perhaps 6,000 or 7,000 good Liberal supporters in ridings across the country will be of benefit. I think that is wrong.

• (1830)

As I have indicated, the federal Government receives $30 million per year, tied to the Consumer Price Index, for doing absolutely nothing. It receives that from the Provinces which run and control sports pools. It is received because of an agreement signed that allowed Provinces to run pools within their jurisdictions so that people would know where the funds were going. They have set up pools which are totally accountable to the federal Government. But according to this piece of legislation the sports pool Crown corporation will not be accountable to the Auditor General. Again I say that is wrong. If the federal Government is sponsoring it the federal Government is responsible, and it should be responsible to the House of Commons. It is wrong on those bases.

The amendment with which we are dealing right now would delete the following:

—to conduct and manage, in accordance with regulations made by the Governor in Council, such lawful gaming activities as the Governor in Council directs.

This makes it wide open for the Government to do absolutely anything, to steamroll over the Provinces once again, contrary to the agreement signed by my hon. colleague, the former Minister of amateur sports.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I rise with some trepidation to speak on Bill C-95. Perhaps I could first make a remark about the reformed rules of the House. I trust by the end of the year we will have looked very hard at the idea of sitting here from eleven o'clock in the morning until eleven o'clock at night. I know this has nothing to do with the Bill before the House; it is simply a bind in which we all seem to be when we are foolish enough to sentence ourselves to these hours for the month of June.

This Bill authorizes gambling. It authorizes any type or description of gambling which in future years suits the Cabinet. There are many people who should never gamble. Unfortunately most gamblers come from poorer sections of the community. They can least afford it but seem most addicted to it. When I was a youngster my very first experience with gambling was when I attended the Yorkton Fair in Saskatchewan. I was a kid off the farm. My Dad gave me a dollar for the whole day to spend on rides, for admission into the exhibition grounds, the grandstand and everything. He gave it to me at 8.30 in the morning and I was back home at 9.00, an hour later. I had found one of those wheels which went tick, tick, tick; the lights flashed and I lost my dollar. My Dad said, "a fool and his money are soon parted". His name was Peter MacDonald McKinnon; he did not part with dollars lightly.

There are what used to be called gentlemanly forms of gambling. For example, a person could play bridge with people of equal talent. If he was not of equal talent, it would dawn on him sooner or later and he could withdraw. But the type of gambling which the Government is now encouraging is addictive. People tend to get into debt over it.

We saw an example of a female accountant in a firm in Toronto the other day who had managed to get away with a couple of hundred thousand dollars. When asked what she had done with it she said she had spent it on lottery tickets because she was convinced she would win some day. As I have travelled the world I have noticed that there is a connection between the moral fibre of a country, the prosperity of a country and the amount of lottery tickets which are sold. I have travelled through western European countries, Britain, Italy, Greece, Turkey, Egypt, Mexico, United States and Canada.

Mr. Pepin: And what about Britain?

Mr. McKinnon: I believe there is a pretty close connection between poverty and government authorized or approved gambling. I hear the Minister asking me about Britain. He might well have noticed that the pool is a favourite method of gambling there. For a long time pools were conducted with a small limit. One did not bet ten pounds per week on the pools; one bet ten pence. Even so, in the poorer parts of the country more people were selling pool tickets and gambling on contrived methods. Pools are not entirely gambling. There is a certain amount of knowledge and at those levels there is very little in the way of broken homes or people spending their grocery money. But the situation is different here with a type of gambling where everyone is asked to operate as if it were a numbers game. For most people who purchase tickets it will be a numbers game.

Mr. Regan: It is exactly like the British pools.

Mr. McKinnon: Generally the people who play the British pools are very skilled at estimating soccer scores. If the Minister is to obtain the amount of money he hopes for, he has to appeal to people who do not have any more notion on what they are betting than when they buy lottery tickets and watch the bit on television with coloured balls to discover the winners. This is a form of regressive taxation of the worst kind, and there can be no doubt about it. The term "regressive" used in this sense means a taxation which hits hardest those people who can least afford it. I suspect if the Minister conducted a pool among people in the House, for instance, he would find there is very little purchasing of tickets, because most of us are not poor and have enough wits to realize what a bad investment it would be to purchase a lottery ticket hoping to win any money.

Since I lost that first dollar I must admit that I have gambled a fair amount, but usually I had a better chance of winning than I would have here. A person can always cover his gambling urges by saying that he is investing in the country or in resource industries. I have done my share of that. Sometimes he wins; sometimes he buys Dome Petroleum thinking that it might pay off. If anyone here wishes to buy shares of Dome Petroleum I have quite a few I would be willing to sell at cost. The losers, though, will be the Canadian people and the winner will be the Canadian government. But with its usual way of doing things, I suspect the Government will turn a winner into a loser. Recently someone said that if we gave the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Lalonde) the Sahara Desert, in six months they would have to import sand. That is the kind of skill they have in these natural things. I recall a former Minister, Iona Campagnola, who was in early on the lottery fiasco. She managed to sign a contract before she brought it to the House and got into all kinds of trouble. I suppose that showed some kind of Party loyalty, for now she is the President of the Liberal Party. Those things could only happen in the Liberal Party.

I would like to turn to the amendment that is being considered at the moment. Let me point out one of the clauses in this boondoggle which will become a statute. It reads:

• (1840)

> One of the directors appointed ... shall be designated by the Governor in Council as Chairman and the Board shall select the Vice-Chairman from among the other such directors.

This leaves it up to the Government to appoint these people. We know from previous experience what kind of people they appoint to Government boards. As usual, they will be high-salaried and incompetent. What I worry about, and the amendment speaks of it, is the types of gaming that will be carried on. It appears to me that anything at all will be allowed.

Let us look at one of the Government's recent investments in a public corporation, Petro-Canada. Once this Bill is passed, I expect that the Government will be able to allow a poker game to take place in the back room of every PetroCanada station in this country. There will be a civil servant there taking what is commonly called the "rake-off". With most gambling, the size of the rake-off dictates whether a person should get into it or not. The rake-off on some of these games will be large indeed because this Bill permits it.

The disbursements have a peculiar tinge to them. I notice in the Bill that some of these disbursements are for good causes. However, others are a little odd. On page 8 of the Bill it states:

> There shall be paid out of the Consolidated Revenue Fund to or for the support of any one or more of
>
> (a) activities in the following fields:
>
> (i) the arts and culture,
>
> (ii) fitness and amateur sport, and
>
> (iii) medical and health research.

This reference to medical and health research is interesting. It could entail a great deal of money if the Government is going to seriously approach funding for health research. However, it further states in paragraph (c)

> —worthy capital projects of national interest in the fields described in Subparagraphs (a)(i) and (ii).

That refers to arts and culture and fitness and amateur sport, but not medical and health research. One becomes curious as to how they will become selective as they go through this process. In one paragraph certain things will be funded and in the next paragraph the funding will be cancelled. Clause 21 reads:

The accounts and financial transactions of the Corporation shall be audited each year by an auditor appointed by the Governor in Council for a term not exceeding three years.

I certainly do not agree with that. We on this side are convinced the Auditor General and not Cabinet-appointed auditors, should audit Crown corporations.

Clause 14 is the one that the amendment speaks to. I quote paragraph (d):

The objects of the Corporation are—

(b) to conduct and manage, in accordance with regulations made by the Governor in Council, such lawful gaming activities as the Governor in Council directs.

As I said before, that is a kind of open sesame to all kinds of gambling.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member, but his time has expired.

Mr. McKinnon: Thank you, Mr. Speaker, I will be back to deal with other clauses of the Bill later.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the amendment before us deletes Clause 14(1)(b) which reads:

—to conduct and manage, in accordance with regulations made by the Governor in Council, such lawful gaming activities as the Governor in Council directs.

This Bill is not about a sports pool. Is it about the Government making lawful such gaming activities as it decides are proper. Aside from the question of lotteries, pools, olympics and sports, this is an authority by the Governor in Council, the Cabinet, to authorize all sorts of gambling activities, activities not even yet devised. On that basis alone, this Bill should fail.

I am glad the Minister is in the chamber. I want him to hear what happened to a relative of mine who was working for a major trust company in Ontario. She decided to dip into the till and falsify the records of that trust company to buy Lottario tickets and tickets on Olympic lotteries at one time run by this Government. She was very clever at it. She managed to get into that trust company to the extent of $45,000 before an audit revealed what had happened. As a result of arrangements, she did not go to jail; nor was she prosecuted. Something was done to look after her, but that did not stop her. She again got a job of trust and was able to get into her next employer to the extent of some $17,000. She felt that if the Government was going to run a lottery system, it must be good and it must be a fair system. Therefore, she could get back all the things she had taken from people and replace her losses by one of those winnings. She was going to be the one in a million winner. She was going to be independently wealthy. She was going to have the hopes and dreams that she had wanted simply because the Government was promising them to her in television ad campaigns.

An article appeared in *The Globe and Mail* with respect to gambling. I want to read into the record a statement made by Dr. Robert Politzer, Director of the Johns Hopkins University, Pathological Gambling Counselling sector at Mount Wilson near Baltimore. He said and I quote:

Not his family, not his job, nothing. He becomes driven to the point of breaking laws to get the money he needs to gamble. Gambling, not the winning or losing of money, becomes an end to itself.

In the practice of law I had the opportunity to handle a great number of clients in business. One was a young man who came from Yugoslavia. He had built up a very successful contracting business. When I first got to know him he owned several small appartment buildings that he had built. He managed to put together a door company in Mississauga which made fire-resistant doors. He had several pieces of attractive land on which he was speculating.

This man was on his way to becoming a millionaire, if he was not already there. Then he found out about the ponies and about gambling. He was one of those, roughly one in one hundred, persons in our society who is compulsive in gambling. He went bankrupt. His marriage went bankrupt and his family went bankrupt.

To have a Government of this country come before this House and say in the interest of sports, the Olympics, culture of all things, it is going to trade on the disease, the compulsiveness of some of its citizens who will wind up with destroyed families, who will wind up taking advantage as my relative did of the promise by a Government to make them wealthy, is wrong and must be opposed by every right-thinking person in this House. This Bill must appal the very basic conscience of every Member of the House on the basis of individual knowledge. It does not take very much experience living in a society like ours to know that there are members of society who do not buy one ticket but buy ten tickets or 20 tickets, who buy tickets with money that is not their own, who dip into the till. One does not have to be a criminal lawyer to defend that type of person because that type of person can be a member of one's own family.

• (1850)

I say to you, Mr. Speaker, that when this Minister brings forth this kind of a Bill, he ought to be ashamed of himself. This Government has an obligation to finance Olympic activities on behalf of us all. That money can come from various sources of Government revenue, from income tax to corporate tax to duties and customs. But surely the Government ought not to trade on the incapacity of some people to resist games of chance. To present a Bill that deliberately allows the Cabinet to authorize other forms of gambling behind this corporation must repel us all. It must be the kind of thing that a Government interested in criminal law, morality and the right thing would tear up in disgust. Yet the Minister says: "Oh, well, you must have it. If you want to finance these things, we must have a slush fund." Well, I say to him that if his need for a slush fund is that great, the Government is all slush and no principle. It will be defeated, if not on this Bill, then by the general public of the country in an election.

Mr. Walter McLean (Waterloo): Mr. Speaker, in joining my colleagues in opposing Bill C-95, I find that there are a number of provisions in the Bill which, from a practical and moral standpoint, have not been addressed by the Government in committee. The proposals now before the House are not acceptable.

The two major practical objections to the Bill are the unsound economics of the proposed Bill and the inclusion of Clause 14(b) which we are now discussing, and which will be seriously detrimental to the setting up of the sports pool. Let me refer for a moment to the economic unsoundness of the Bill.

The Hon. Reuben Baetz, Minister of Tourism and Recreation for Ontario, appeared before the Standing Committee on Communications and Culture on December 16, 1982. As a shareholder of the Interprovincial Lottery Corporation and as their Chairman for the last four years, he is well informed about the mechanics of running a lottery. As one who had a part in setting up the first Manitoba Lottery when I was Executive Director of the Manitoba Centennial Corporation, I was particularly interested in his comments and the overview he brought to the committee. At one point, he stated categorically:

> I am here today to tell you that the federal Government sports pool cannot generate the levels of profit that have been suggested by the federal Government.

The reasons for the sports pool's undoubted failure have been well presented by my colleagues previously in this debate.

[*Translation*]

We know that sports pools represent a very small percentage of the market. For instance, if we look at the Province of Quebec and its Hockey Sélect lottery, we find that the percentage of ticket sales for hockey sports pools has been decreasing regularly.

[*English*]

Not only is there the drop suggested in expected revenue. We have been told that the sports pool will collect $30 million to $40 million a year. Mr. Baetz, when appearing before committee, suggested that this amount will not be enough to even cover the cost of the equipment needed to run the game. We have a $10.5 million start-up grant that is not even expected to be recovered and, as we were told in Committee, an estimated $20 million that will be borrowed. That makes $30.5 million. The moneys generated would not come anywhere near covering the $200 million the Government has promised Calgary for the Olympics.

Second, the motion proposed by the Official Opposition would strike Clause 14(b). This Clause is unnecessary to the running of the sports pools and is potentially harmful to our relations with the Provinces. It gives the federal Government the authority to conduct and manage, in accordance with regulations made by the Governor in Council, such lawful gaming activities as the Governor in Council directs. What does this mean, Mr. Speaker? We are told that it is not the Government's intention to get back into the lottery business. If not, what other kinds of lawful gaming activities will we see—video games, national bingo games, Trivial Pursuit on national television?

The Provinces, very rightly, I believe, mistrust this Clause. If it is not removed, the Provinces will be very unco-operative in establishing this sports pool. As officials of the Provinces have said again and again, they do not like the idea of negotiating with a gun to their heads. They feel it threatens the agreement made between the federal and provincial Governments in August of 1979 whereby the Provinces have paid to the Government about $34 million a year in exchange for having the federal Government withdraw from the lottery business. Clause 14(b), the Mack truck Clause, as my colleague, the Hon. Member for St. Catharines (Mr. Reid), so aptly puts it, seriously jeopardizes the spirit of mutual trust that is so essential for future negotiations.

Let me then look at the practical applications of the Bill and summarize three other objections I have in the practical sphere. First, as my colleague pointed out a few moments ago, there is the possibility of political patronage. A second objection is that it is relatively easy to fix a sports game as compared to other forms of lotteries. Therefore, the Government is taking a risk entering into this area. Third, the beneficiary structure is too large and too vague. We have no clear advance idea of how the Calgary Olympics will benefit as opposed to fitness and amateur sports, health and medical research, arts and culture, to say nothing of the specification of worthy capital projects.

I would like to make some comments in relation to the objections I have on moral grounds. I do so in relation to my own convictions and also in relation to my responsibility as Opposition critic of the Minister of the Secretary of State, a ministry directed to encouraging wholesome citizenship. I see nothing in the Government's decision to go hand in hand with the promotion of lotteries that will encourage a healthly sense of citizenship in Canada.

I, along with other Members, today received a representation made by the Reverend Robert G. Lindsey, Senior Staff Officer of Church in Society for the United Church of Canada. The representation he makes to Canadians and to the House of Commons is as follows:

> This is the time to stop further Government promotion of gambling in Canada. The United Church of Canada is concerned with the Government's refusal to understand its obligation to support morality in Canada rather than to undermine it. We hope that you will do whatever is in your power to stop Bill C-195 from becoming law in Canada.

I received a similar representation dated June 24 from Rev. A. G. Van Eek of the Council of Christian Reformed Churches in Canada. He outlines the concern of that constituency about lotteries which raise or capitalize upon false hopes and that worthy projects are somehow put in jeopardy. He also suggests that they take up the disposable income of low-income earners, and for these reasons and others he suggests that it is not in the interests of Canada to continue.

• (1900)

I believe that lotteries are an undue celebration of chance. Others who have spoken before the committee who are not in any way prudish and who do not wish to remove fun and opportunity for Canadians see this as undercutting an important fabric.

Prof. McCormack Smyth of York University says:

> Liberal democratic government has been based on a number of central ideas. One is that government must respect human beings. Governments must not exploit human weaknesses. Through their promotion of lotteries, governments are appealing to one of the lowest human qualities, that of greed. Lotteries promote, albeit unconsciously, the view that it is in order for individuals to be their brother's taker.

Because someone is willing to be taken is no excuse for exploiting that person. Public support for an idea does not make it right, as was demonstrated by child labour, slavery and racial discrimination. I think that gambling is proportionately more harmful to poor people than it is to people in high-income brackets. The net effect of lotteries and their acceleration is to warp public direction. I therefore join with my colleagues in opposing this legislation which is in conflict with other areas of Government direction.

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I am very pleased to be able to make a few comments in opposition to Bill C-95. The Hon. Member for Waterloo (Mr. McLean) has expressed his views very well and has given no useful references. Others who made representation to the committee were concerned with the principles involved with this type of legislative proposal to bring to Canadians a regressive taxation. It is a little like the photo opportunity of the Minister of Finance (Mr. Lalonde)—they do not really understand it but they are co-operating and assisting the Government in an indirect taxation that in many cases will do them harm.

The Bill represents a number of shades in a number of areas. It has gone from what I would consider the traditional Liberal red into a very grey area. It clouds a number of principles involved in federalism, democracy and participatory Government.

The first area is the commitment of several hundred million that the federal Government made to the Calgary Olympics. To use this legislation as a guise for fulfilling that commitment is not only questionable because of the undetermined profitability of the Bill, but it is also a back door approach to raising the revenues expected as a result of that commitment.

The second grey area is the whole concept of federal-provincial agreements. Relations are already strained and have been for several years on such things as the energy Bill and the Constitution. In this instance, an agreement was made with the Provinces that they would have exclusive domain over lotteries. Now there is a grand argument about whether the sports pool is a lottery. I understand that the courts may not find in favour of the federal Government. That may not be a major factor in determining whether the sports pool goes forward but it brings to light the federal-provincial agreements that should be honoured by the federal Government if we are to expect to have co-operation and confidence between Governments in the future.

The third point that many speakers have referred to is the ethics and the morality of this measure. From time to time most of us participate in events related to gambling, whether through buying a lottery ticket, playing Crown and Anchor at an amusement park or some charitable fund raising event. What we have before us is on a very different level, however. The federal Government, the highest institution in the country, is sending a signal to people who are vulnerable, who are potentially compulsive gamblers. We may be promoting a potential disease by this kind of thing whether in the young, the old, or those who are unable to meet their commitments and who become too involved in this type of activity.

Recently a newspaper published the ratio of opportunities to win. Loto Canada gives one chance to win in 600,000. The odds in other lotteries are worse and the opportunity to win can be one in several million. People who participate in this class of activity can dream of being the one person in 600,000 who will win, but participation can create a problem for a family on a rigid budget. As a federal Government we have an obligation to try to avoid promoting this participation.

The fourth grey area is that of Government revenue. The Hon. Member for Mississauga South (Mr. Blenkarn) spoke about regressive taxation. It must be made clear to Canadians that the Government is raising revenue through this type of activity and that it plans to distribute the revenue to activities that all of us would support. It is a means of raising Government revenues. It is not called taxation but it really is taxation and it is often collected from those least able to afford it.

The fifth grey area is federal Crown corporations. We might have a little more confidence in this particular Crown corporation if we had not seen some of the difficulties encountered by previous Crown corporations involved in the lottery business. It is clear that very bad decisions were made. It is a complex and very precise type of activity which requires all of the resources of Government, or whoever is involved, to make sure it is done properly. There are some good examples of extreme waste in running the lotteries. I do not believe anyone in particular, in light of the recent events on the Canadian national scene, can have confidence that this Crown corporation is going to be run any better than any of the other Crown corporations. That, I feel, gives us cause for concern. The whole problem of Canadair is the kind of thing which points to the question of whether or not the Government, and the Minister who is responsible, are going to be able to keep up to the management requirements and whether they are going to be able to make the necessary changes in time to avoid abuse and waste which will occur if we are not right on top of it.

• (1910)

The sixth point, which is important, is the question of disbursements of the profits, whatever those profits might be. It is clear there has been a commitment made to the Calgary Olympics. I am sure that all Hon. Members are supportive of the Government honouring that commitment. Beyond that,

however, there is a list of what this amendment, which is being proposed at this time, would do. In fact, it would limit the disbursement of these funds to the Calgary Olympics. It would not give the Government the option of disbursing these funds to other areas which are defined, and which may not in fact be defined specifically in the Bill.

I feel the question which arises here, and the grey area, is what happens to these areas, for instance, medical research, when we have a situation where it becomes dependent upon a sports pool and then, all of a sudden, we find, as is happening in Quebec, that the returns are diminishing. There is less and less money available. We would have what to me is a very credible and worth-while project gradually being put in a position where it is very vulnerable because there are not the funds which were anticipated. Therefore, that puts these projects at high risk.

I will probably have an opportunity, Mr. Speaker, as further amendments are brought forward, to make additional comments. However, I feel that I should emphasize again that in spite of supporting most of the activities which the Government is suggesting in this legislation, it seems to be a very poor vehicle, one which has more problems than solutions, and we would like to see the Government withdraw it.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I would like to take a few moments to comment on this Bill. It is the kind of Bill which the Government has put forward as a necessity. The Government is saying in effect, "If we do not get this money in this way, we will not have the money to do a lot of these wonderful things which are important for the country." One of the real criticisms of our modern age has been the so-called loss of the moral approach to living. Morality is the fibre of the nation which must be recognized and held dear at all levels. We teach it in the home, we teach it in the schools, we teach it in the church. We hope that it becomes part of every person's way of dealing with life. Then, by a variety of means, our teachings on morality are diverted in such a way that it is difficult for the nation to say, "What you are doing is wrong".

A couple of thousands of years ago the collection of interest was considered immoral and probably today it still is. However, our society has condoned it for so long that we now think of it as quite acceptable. At one time the idea of speculation was considered immoral. If one went out and bought land, for instance, for $1 an acre and sold it for $1,000 an acre a few months later, that was considered immoral. Even excess profits were considered immoral at one time. There was a time when a business considered 5 per cent or 6 per cent of profit on its sales was quite a good profit. Today we allow 300 per cent, 400 per cent 500 per cent profit. And if one cannot make that kind of profit, one is not considered a very good businessman. Therefore, there has been this disintegration of the moral structure to a great extent.

It is the responsibility of the major Governments of the country, the provincial and the federal Governments, to uphold the moral fibre of the country. What is being done in this Bill, and in any Bill of this kind, is the undermining of that structure. There is quite a difference between lotteries or "raffles", as they are called, on a national basis and lotteries or raffles on a local basis. When someone comes to me in my own community to sell a ticket on a raffle, he does not spend a lot of time telling me what a great prize I am going to win if I buy this ticket. What he is actually asking me to do is to contribute very directly to something. I know that is implied in this Bill. However, if one looks at the advertising of lotteries across the country, one finds that it is not the basis on which that advertising is put forward. The advertising of both federal and provincial Governments has always been, "Spend a dollar and win a million. Be a millionaire all at once." The implication, therefore, of the Government's getting into this kind of "business", if you wish, is not in the best interest of the country.

As a number of other Hon. Members have already suggested this evening, besides the concern which we should all have as to whether this is good for the people of Canada, we have here a kind of typical Liberal approach to legislation as a whole. What the Government is suggesting here is that there are a number of items in the Bill which it knows we would like to support, things like the Olympics, culture, the development of the arts, medical research. These are things which it knows everyone is going to support. Therefore, it attaches them to a method of payment which many Hon. Members of this House, and many people across Canada—I would suggest possibly the majority—abhor. It is the method of paying for these benefits which they abhor, using the gambling instincts possibly, and appealing to greed to some extent. It is a method of supplying these benefits, which everyone wants, in such a way that it is difficult to take a stand against it.

However, it is important that we do put up a defence against this kind of development. The Government did the same thing last week with respect to the Crow Bill, which the Minister of Transport (Mr. Pepin) pushed through the House. Here again, there was something in this Bill which everyone supported, the development of the railways, the improvement of the railways. However, the method of payment was not supportable by a large portion of the population, at least those who were being asked to pay for it, the farmers of western Canada. Again, one sees the typical Liberal approach of putting in place something that is worthwhile and paying for it with something that is abhorrent.

• (1920)

The federal Government has a responsibility to control funding methods. There are other alternatives in funding these kinds of things. My colleague, the Hon. Member for Kamloops-Shuswap (Mr. Riis) suggested direct taxation if we believe that these are the kinds of things we should be supporting and that they are good and necessary for the country. Then we should be quite willing to fund on a direct taxation basis. Also, there are parts of it that I am sure can be done on a straight contribution basis. Many parts of our sports and art structures are already funded on this basis. It can be continued or classified, allowing tax deductions if possible. The method being used and, again, I follow many other Hon. Members, is

indirect taxation, but it is one which is not in the least progressive. If one is making $1 million a year, a tax to buy one ticket will cost $10. If one is making $5,000 a year or barely surviving and one decides to buy the ticket, it will still cost $10. Therefore, it is a really regressive tax. If one has $1 million, why should one go out and spend $10 on a ten million to one chance of getting another $1 million? However, if one has only $5,000 a year, it seems like a pretty good idea to spend $10 in the hope that one can gain $1 million. Therefore, this regressive taxation becomes a very great factor. We should consequently remove that kind of method of funding.

Finally, this matter involves a Crown corporation. As the Hon. Member who last spoke said, the people of Canada have watched the Government's involvement with Crown corporations far so long that they no longer trust the ability of the Government to operate a Crown corporation well. This may be a valuable corporation, if it must be established. However, how can we be sure that the Government, which has done so badly in the past with Crown corporations, will operate this one any better than it did Canadair or any of the other large corporations which have lost accountability?

Mr. Thacker: Or Canagrex.

Mr. Hovdebo: It's the same thing.

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I rise to participate in the debate this evening but I cannot say that I am happy to do so. Somehow I feel rather sad that this great institution that has such a tremendous responsibility and also an influence for good in our nation should have before it a Bill which I believe tends to erode the very ethical and moral basis and foundation of our country.

I cannot help but think back to when I wore a different hat, or collar. In preaching to my congregation, I would point out the fact that I believed that in the exchange of goods, there were only three principles that were operative: one was by purchase, the second was by barter and the third was an outright gift. When we move into the area in which we are moving with this particular Bill, we are bypassing those basic principles and carrying on one of the weaknesses of humanity, which seems to be becoming more prevalent in these days, that is, to try to get something for nothing, and get it quickly.

There are several components of the Bill that have been mentioned to which I want to refer very briefly again. First, I would start by referring to the matter which was addressed by the previous Hon. Member. His last comment concerned the fact that under the provisions of the Bill we are called upon to set up another Crown corporation. We must remember the words of the Auditor General when he referred to the Crown corporation proliferation as being a sub-government, one that was beyond the control of Parliament and one that did not have any sense of accountability.

When I think of another Crown corporation being set up at a time when there is so much criticism directed toward that type of activity, I somehow feel that we are moving in the wrong direction. We ought to call a halt and consider whether or not we are setting up just one more agency which will be beyond the power of Parliament to control, one that does not have any sense of responsibility to the Canadian people.

Another matter in that connection is that we are called upon to amend the Criminal Code. Just to bring this to our attention, Clause 33 states:

> The Criminal Code is amended by adding thereto, immediately after Section 188 thereof, the following Section:
>
> "188.1 Notwithstanding any provision of this Part relating to gaming or betting it is lawful
>
> (a) for the Government of Canada to—

That is absolutely reprehensible. It is completely immoral to say that under the Criminal Code a thing is illegal and a crime, and then for the Government to bring in a measure and say, "We will put in a clause and say, regardless of what is in the Criminal Code, that we will do it and we will not be held responsible for it. We cannot be charged under the Criminal Code". What in the world is the Government thinking about? Where are we going in this country? It is absolutely wrong for a person or a community to do something, yet a Government can do it, wrapping itself in the garb of irresponsibility and saying, "In spite of what the Criminal Code says, we will do it and you cannot charge us for the crime". I wonder how much has been spent in pressuring people to do what is intrinsically wrong according to the Criminal Code. The Government will advertise and urge the people to do what is wrong according to the Criminal Code. I would like to know just how much money Governments have spent in the past in order to get people to do what I have suggested is wrong. May I say that the Government is completely irresponsible. It is immoral for a Government to do this.

• (1930)

It is asking us to go ahead and pass this measure. I believe that if the projects that are stated as being the recipients of assistance in this Bill are laudable causes, which they are, they should not be left to chance. They should be provided for from the Consolidated Revenue Fund and the money obtained in a legitimate fashion from the people of Canada instead of through the back door via this particular mechanism.

I know that the Government will say that we are advocating greater Government expenditures. But I can outline many projects which the Government could eliminate and transfer that money to meet the demands and requirements of these particular causes. It would be far more commendable for the Government to spend its money there than the way it is spending it now.

I have documents here from the Council of Christian Reform Churches in Canada. I also have statements by the executive committee of the Baptist Federation of Canada and the Commission on Moral and Social Standards and Issues of the Salvation Army, as well as the working unit on social issues in justice, division of missions in Canada of the United Church of Canada. They suggest and urge us to reject this Bill and vote against it because they believe it is detrimental to the fabric of our nation. I believe that we ought to reject it.

I wonder why no Liberals will stand up to defend this measure. Are they all in agreement that this Bill should go through? I wish there were at least some who would stand up and say that they believe this measure is wrong and that they will not support it. The plea that I make today is that the Minister withdraw his Bill and realize that it is thoroughly wrong.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I wish to join in this debate and begin by commending the Hon. member for Fraser Valley East (Mr. Patterson) for a first rate speech in the House. Once again, it shows how common sense can be brought to bear on these issues that are matters of great social concern to the country yet how the Government itself, because it either needs the money or is not prepared to face Canadians with a tax proposal that meets the program proposal, tries to do something indirectly which it dare not do openly or honestly. However, Government Members, some of whom I know, are opposed to this Bill. Some have spoken to us privately and said that they do not think that this is the type of society and country our ancestors envisaged. However, since this measure got through Cabinet and the Cabinet permitted this Bill to go before the House, those Members sit quietly. That is why my friend from Fraser Valley East is disappointed and that is why I am disappointed. Other Bills as well have left us disappointed when we knew that Members opposite personally did not believe that a Cabinet piece of legislation was wise but yet they sat quietly. It is certainly an argument in favour of the proposal from the special committee on procedure that there be more free votes in the House. I believe we would see an enormous shift over votes and consequently a much more sensitive Cabinet. A Cabinet which would continue to push through Bills against which large numbers of its own Members were rising to speak would soon have to respond to those people.

The basic message clearly gets out to ordinary Canadians. I believe, along with other people in this country, that this is part of a larger plan to take much more power into the central jurisdiction of Canada. Howe could this be done with Canadians who have been raised on a broadly decentralized power in the country, with individual responsibility at the family and community level, a little less at the provincial level and a little less at the federal level? First, it would demoralize people in their own individual families and communities. One clear way to do that is to bankrupt them and make them even more dependent on a handout. Programs would then be introduced for people to receive a grant from the Government. They would soon learn to respond to that. They would be given the illusion of wealth by having them spend more money than is being taken from them. This is what we have seen since this Government came to power. The national debt has been built up to $160 billion, including some of the Crown corporation debts. This simply means that the Government has stimulated the economy every year—this year by some $30 billion—which makes everyone think that there is more money available than there really is. While they receive the benefit of this for some time, it always leads to inflation, high interest rates, a collapse and then a period of great disorientation and allowance. This is what we are faced with today.

The second way to achieve this centralization is to tax people to death. Taxes simply mean that someone else decides how to spend the money that those of us who work in the mines, on the farm or in Parliament, earn. After we have paid our taxes at the municipal, provincial and federal level as well as our income tax, we find that we have very little disposable income left. That tends to make people give up, which demoralizes them.

The third method is to bring out, as the church groups call it, the bread and circuses. It keeps people happy with minimum bread and maximum circuses, or, something for nothing. That is really part of the Crown corporation spiel. This includes Petro-Canada which really purports to tell people that it is ours and that we have no energy problem in this country, whereas the fact is that we have an incredibly serious energy problem. We Members from the West, particularly from Alberta, stand up time and again to argue how we had 16 billion barrels of light conventional crude in the ground, and that it is now down to four billion barrels and dropping. When that conventional crude is gone from the western plains, this nation will be in very serious trouble because we will be held in the iron grip of those Middle Eastern countries which are unstable, not because their people are bad on an individual basis but as a result of ancient animosity and religious and ethnic hatreds that have built up. For us as an industrial nation to be left in their hands is a criminal act which should not be permitted.

I join with other Members in dealing with this amendment in Clause 14(b) for all of the general reasons such as the question of whether we as a society should be involved in gambling. It seems to me that we should rather be discussing our national defence structure and how we can promote disarmament on a world-wide basis since all of humanity will be lost if that issue is not resolved. We should be discussing the great social issues such as prostitution and abortion. Why are we at this time spending the time of the House on a gaming Bill which is in direct violation, in my opinion, of the agreement that had been entered into with the provincial Governments that we would permit only the one lottery to continue, one mistake having been made? We have received tens of millions of dollars from the provincial Governments pursuant to that agreement—$98 million, my friend from Edmonton tells me—and now we are going to try to undercut them with another one. It will lead to another federal-provincial confrontation. It certainly is not wise.

• (1940)

This Bill truly appeals to the sort of baser interests that we all have. I am sure all of us have bought lottery tickets and perhaps will continue to do so. Perhaps the Minister of Transport (Mr. Pepin) does. He is the only perfect man, I guess.

Mr. Pepin: I buy lottery tickets.

Some Hon. Members: Shame.

Mr. Thacker: It seems that this is a nation which has lost sight of its future.

Mr. Pepin: Hope springs eternal.

Mr. Thacker: Hope springs eternal, but out of the $110,000 a year which the Minister gets from the people of Canada and the $65,000 I get as a Member of Parliament from the people of Canada, that $5 provincial ticket or that $10 lottery ticket is nothing. But to our friends who are labouring in mines and to farmers whose average income is less that $12,000 a year who are suffering in generally tough times the prospect of $1 million seems enormous. It is an attraction that you could expect reasonable people to fall for. But the effect is to impose upon them a direct tax. When you add that to the direct sales taxes which the feds have imposed so dramatically in the last few years and add it to all the fuel tax people must pay, the alcohol taxes, the cigarette taxes, in addition to the income tax that people have to pay, there is just no disposable income left at all. I ask the Minister whether that is wise for a society. Does it lead to a great future for Canada? I say no. It is legislation for a country that is sliding down the other side of a hill. Rather than climbing up the mountain and building a strong society, we are sliding down as they did in the last years of the Roman empire and other empires throughout history.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I believe every country, certainly Canada, should be encouraging athletic events inside the country. We should get people to come from other countries. They add buoyancy to our economy and this allows the development of skills in our own individuals, particularly our young people. Whenever any community makes an application for an Olympic event the Government should say whether or not it will give assistance. This Government promised assistance to the Calgary Olympic Association. The association presented its brochure and brief on the understanding that the Canadian Government would back the association to the extent of so many dollars. But then the Government puts on provisos completely contrary to the principle of athletics events, completely contrary to the morals of this country that have been with us for so many years. That is wrong, Mr. Speaker, completely wrong.

I want to make it very clear that I support the Olympics and the Government's providing money for the Olympics as it promised. But I do not support this type of legislation. I will tell you why.

First, we are setting up another corporation. I am suspicious of corporations. We have too many of them now. Maybe that is not a very good reason but that is one reason why we should not trust this Bill.

Second, this Bill will amend the Income Tax Act so that the $10.5 million of the taxpayers' money that is being given to this corporation will not be a loan but a gift. It is a gift to enable the Government to carry out gambling in this country. We are amending the Income Tax Act. This is not a loan. If this pool system is going to be doing so well, why does it not pay back the taxpayers' money? Part of this money belongs to thousands of taxpayers who do not believe in gambling, who would not buy a lottery ticket under any circumstances because they do not want to be a bad example to their children. Most of us buy lottery tickets, but that does not make it right. But this tax money belongs to all the people of Canada. The Government has no right to use that money for purposes which our people would not condone. If it does, the Government is leaving itself wide open to criticism. This Government is using taxpayers' money to do something that now is illegal in this country. But then it says, "It is illegal only if someone else does it." Let us take a look at the Criminal Code of Canada. Let me quote Section 185 and part of Section 186 under the heading "Gaming and Betting". It reads:

> 185. (1) Every one who keeps a common gaming house or common betting house is guilty of an indictable offence and is liable to imprisonment for two years.
>
> (2) Every one who
>
> (a) is found, without lawful excuse, in a common gaming house or common betting house, or
>
> (b) as owner, landlord, lessor, tenant, occupier or agent, knowingly permits a place to be let or used for the purposes of a common gaming house or common betting house,
>
> is guilty of an offence punishable on summary conviction.
>
> 186. (1) Every one commits an offence who
>
> (a) uses or knowingly allows a place under his control to be used for the purpose of recording or registering bets or selling a pool;

Everyone who does that is liable for a prison term.

Mr. Pepin: There is not enough room in the prisons of Canada for all those people.

Mr. Munro (Esquimalt-Saanich): They deserve a prison term.

Mr. Taylor: If this is wrong, the Government says, "We will just change it". Thank God this Government did not write the Bible or there would be nothing on earth that is wrong. There would be no right or wrong. The Government could do anything it liked.

Mr. Pepin: Going to heaven is a gamble.

Mr. Taylor: Right now it is bad enough with the Government's laws. It let a man abuse a little girl and murder her and then it expects the taxpayer to keep him the rest of his life. The Government will not even have him punished.

An Hon. Member: An eye for an eye.

Mr. Taylor: I thank God this Government did not write the Bible, but the Bible is still there and the Bible means something to most of us. It sets out what is right and what is wrong. It sets an example. But here we have a Government setting an example by telling young people to forget about the Criminal Code. It says, "If you do something wrong, we will change the code. It is not wrong. It is wrong if John Jones does it. He will go to jail for two years. It is okay if the Minister of State does it because he is part of the Government."

What kind of example is that to the boys and girls of our nation? When I was a scout master we were hard up for money. This was during the tough years and we needed money. We thought that perhaps we could raffle something. We looked into the rules and regulations of the Boy Scout Manual, but nothing doing. To raffle something was wrong and we did not want to start teaching Boy Scouts how to gamble. That would be just a beginning. It is little foxes that spoil the vines. If we start with little things, the little things lead to big things. So we did not do it. We did not have a raffle. Today most of those young people are holding responsible positions because they learned what was right and what was wrong. They did not do what was wrong even though it would have meant money in their pockets, a better camp, a better hall and better equipment. They went without rather than doing something that was wrong according to the laws of the country.

Mr. Pepin: Adjust your halo.

Mr. Taylor: But this Government simply changes the law. My colleague has just handed me the Bill and it reads:

Notwithstanding any provision of this Part relating to gaming or betting, it is lawful—

That is the kind of Government we have in this country. Government Members just simply say, "We will make black into white and white into black".

• (1950)

Mr. Munro (Esquimalt-Saanich): Morally corrupt.

Mr. Taylor: Yes, morally corrupt. That is how the great empires of history became nothing after their glorious days. They started ignoring the things that were wrong and saying that they were right. There is no right or wrong any more. We are getting more like that in this country.

Here we have a law which we expect the House of Commons and the Senate to pass. If it ever passes here, the Senate will say, "Yea, yea". Members in the other place will have to do it because the Prime Minister (Mr. Trudeau) tells them that they have to do so. We even passed a law with less than a quorum, with 13 Members in the House. The Senate has no principles; it passed the law and said that it was okay. It will do the same thing for this piece of legislation. It is another reason that it is wrong, completely wrong.

Then we have an Income Tax Act which says that if a person wins he does not have to pay taxes. It is simply to encourage people to spend money on betting. It is worse than Las Vegas. If a person wins a sizeable sum of money in Las Vegas, he has to pay the tax immediately to the American Government. Here we are saying to people, "Go ahead and gamble". Government Members are saying that it is no longer contrary to the Criminal Code and that they do not have to pay tax on their winnings. They can win $500,000 and do not have to pay tax, even though taxpayers' dollars will be taken from the fund and given to this corporation with no interest, not as a loan but as a gift. Approximately $10.5 million of the people's money will be given to the corporation to do with what it likes. It will teach young Canadians to become gamblers and that gaming is okay. Then something else will be okay, and there will be no morals left in the country. Surely we should expect the Government of a nation to stand high on the principles which built the nation. Those who came to Canada from other parts of the world came because they could worship in the way their conscience dictated; they could teach their children high principles and not suffer persecution. Now they are changing the laws of a country which were written to keep things right. Now they are saying there is no wrong any more.

If it is wrong, the Government does it and it becomes right. If it is wrong for an individual, the Government blatantly passes a law and says that it is okay for the Government to do it. What is the country coming to? What is the country coming to when the Government says to our young people that it is wrong for John Smith, the poor coal miner, to go into a gaming house and win $10 or $15 and that he will be put in jail for two years, and if a minister of state wins $500,000, he will not have to pay taxes on it or go to jail? It is wrong for the little guy but it is okay for the Government. What kind of a country are we building? The Government should sit up and think about what it is doing before Canada is in utter ruins, without morals and completely morally bankrupt, denying all the things for which we fought and lived to make the country worthwhile.

Mr. John Gamble (York North): Mr. Speaker, I have but a few remarks to direct to Motion No. 2, the amendment proposed with respect to Clause 14 of Bill C-95, a clause which deals with the objects and powers of the corporation, another Crown corporation being established by the Government which seems intent upon proliferating the growth of Crown corporations so that, hopefully, beyond the reach of the House, there will be created a new substructure of quasi-government actions that, when questioned by Members of the House, may be met by the standard reply that it is an independent corporation for which little answer may be given in the House of Commons. It strikes me that that process to which we have been subjected all too often in the House is one that undermines the real authority of the House of Commons and deprives us as Members of an opportunity to deal effectively with the way in which agencies of Government conduct their affairs.

The agency of Government with which we are concerned today is clearly a betting or gambling agency, and it is one that particularly requires the attention of Members of the House of Commons. It was not long ago that another government, the one which immediately preceded this one, managed to extricate the Government of Canada from an involvement in a gambling business, a business which I suspect, regardless of who operates it, is carrying on somewhat reprehensible work having regard to the victims of the process. Very clearly there is little doubt but that the victims of the process here are people who can least afford to be victimized.

Mr. Pepin: Oh, oh!

Mr. Gamble: I know that may be amusing to the Minister of Transport (Mr. Pepin) who consistently interrupts. I am sure he will avail himself of this opportunity to stand in his place and speak on the Bill. Failing to do that, I would hope that he would just hold his peace until I have concluded. I know that may be too much to ask of the Minister. Perhaps we can indeed expect him to stand up and explain the great virtues and values of this peace of proposed legislation, although having regard to his conduct in the past, I rather suspect that that is a bit too much to expect.

The great problem, as I was explaining, is that the people who are systematically victimized are those who can least afford to be caught up in another process of wagering on the ultimate outcome of what will be a new gambling venture. It is important for us to recognize that in the event the Government of Canada has abandoned the usual raising of revenues, by any mode or system of taxation as it is authorized to do under the provisions of the Constitution, it should reflect upon using this particular mode of taxation which carries with it an induced voluntary element which I must confess will extract more revenues from Canadians. In this case very clearly the majority of revenues will come from people who are least able to pay them. From the standpoint of raising revenues, in the event that the Government approaches this matter in a businesslike fashion, ought it not to be concerned about the ultimate consequences of its other sources of guaranteed contract revenue from other lottery ventures in which it is indeed a partner?

The proliferation of lotteries with additional costs and expenses of advertising and promotion surely will not return, I suspect, the kind of revenues the Government of Canada expects to generate from its own individual effort, having regard to the funds that it has been assured of receiving from its joint businesslike partnership arrangement with the Provinces. To say that this venture, in competition with itself as a partner in another venture, is poor business is to put it as gently as I can. It is very clear, recognizing that there is a tendency among the people of Canada to wager on gaming or lottery type devices, that the Government wishes to have 100 per cent of the pie, in this case regardless of what those consequences may bring to it in terms of revenue generated otherwise.

Let me pass, if I may, to an issue that has been raised time and time again, that is, the great merits of the scheme, having regard to an obligation which the Government undertook with respect to the 1988 Calgary Olympics and the defence so often raised that this particular Bill is necessary in the event that money is in fact to be made available by the Government of Canada to fund a federal Government obligation to the Olympics. Very clearly the federal Government has that obligation. It has that obligation because these are national events in Canada conducted on an international scale. It is an obligation of the Government of Canada to support the worthwhile work of a city or community which has gone out on a limb and committed itself to bring to our country an event of the significance of the Olympic games in Calgary. The Government of Canada should be proud to participate and to carry out its findancial obligations rather than endeavour to push this Bill through the House, justifying its existence and coercing some to adhere to its passage on the basis that this is a panacea for the raising of funds for an international athletic meet.

• (2000)

If you examine the provisions of the Bill, you find that clearly that is but one of a variety of purposes allegedly advanced by the Government to induce Members of the House to support this piece of legislation. Under Clause 18(3) we find moneys may be paid out of the Consolidated Revenue Fund, to which moneys are ultimately paid by the corporation, on a fixed term out of the revenues of the corporation "for the support of one or more of the following activities". Then a group of activities is listed, one of which happens to be the 1988 Calgary Olympics.

In the event that this Bill was designed to accomplish the purpose alleged by the Government, I would have thought we would find a sunset clause built into the Bill which would have brought the existence of this corporation to a grinding halt when the required funding for the Olympics had come and gone, but that is not the case.

To pass on to another consideration, my great concern is the required financing. Here is a money-making operation that requires $10.5 million seed money to start. There are additional funds that may be advanced. They may be advanced by the Minister of Finance on the application of the corporation, approved by the Minister, and the total amount that may be advanced under those additional financing clauses by way of loan shall not exceed $20 million. Therefore, we are looking at $30.5 million. Having regard for the rather complicated fashion that has been gone through for the purpose of setting up this corporation, the corporation will probably go through that money in short order. We will have another drag on the Consolidated Revenue Fund, and the finances of this country through another Crown corporation would get out of hand as they habitually do, much to the detriment of the taxpayers.

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

Some Hon. Members: Question.

Mr. Reid (St. Catharines): Mr. Speaker, I rise on a point of order. The Hon. Member for Halifax West (Mr. Crosby) has just arrived. He wishes to speak on Motion No. 2.

The Acting Speaker (Mr. Corbin): The Chair did notice the Hon. Member come into the House as it was prepared to put the question. I will recognize the Hon. Member.

Mr. Howard Crosby (Halifax West): Mr. Speaker, it is not often that one gets such attention when rising to speak in the House when one has to interrupt the deliberations of the Chair. The importance of the Bill we are now considering warrants that kind of attention. We have heard many arguments raised against the provisions of this Bill. What we have

not delt with is the whole perception of this kind of legislation as it is introduced in the House of Commons. It is something we should spend some time considering.

It is a very simple matter to introduce in the House of Commons a Bill and make a claim amongst and to Members of the House of Commons and to the public as to what is the purpose and the purport of that kind of legislation. That is what we have in Bill C-95 which enacts the Athletic Contests and Events Pools Act. We are told that this Bill must have the approval of the House of Commons and must be passed in order to save the Olympics for Calgary. Surely it is a matter of perception that the purpose of this Bill is to deal with the Olympic games that are to be held in Calgary in 1984 and that the provisions of this Bill will save the Olympic games from financial ruin.

We on this side of the House know that that is not the real purpose of the Bill. If this were a Bill to aid and finance the Olympic games which are to take place in Calgary in the next year and bring credit to Canada, credit to the great Province of Alberta, credit to all athletes in Canada and across the world who participate in the Olympic games, we would of course favour it and devote our time and attention to its early passage. That is what the Government tries to sell us and the Canadian public as being the purpose of this Bill. It says, "Pass this Bill and the Olympics will be saved, not only for Calgary in 1988 but possibly for all time".

We want to stand here and tell the people of Canada through the medium of this debate on Bill C-95 that that is not the case. The case is that the Government wants to get back into the lottery business. It has seen this weakness on the part of the Canadian people. It has seen this desire on the part of the Canadian people, myself included, to get that pie in the sky, to get that million dollars from nowhere, to invest $10 and become a millionaire forever. It wants to play on that weakness of mine and of other Canadians.

The Government wants back in there because its sources of revenue have dried up. It can no longer tax Canadians in the ordinary way. It cannot impose another income tax, excise tax, sales tax and a tax on air transportation or ground transportation. We can go on and on with taxes. The Government has run out of taxes. Revenues are dried up, so it wants another tax, a voluntary tax. It has taxed the people of Canada to the limit and is now looking for other kinds of taxes. That is what Bill C-95 is all about. Don't kid yourself about that. Bill C-95 is another kind of tax. It is a voluntary tax. You do not have to pay this tax. If you are strong and you realize the percentage of winning is nearly nil and recognize that it is hard work that leads to success and not the luck of the draw, you will not be taxed. However, if you are looking for pie in the sky, for a better tomorrow, for $10 to win you a million dollars, here is the kind of tax you want to pay. That is what the Government is doing to the people of Canada.

The Government is sick of people putting up all this money in the form of a voluntary tax and its not getting any benefit, so it wants back into the field. The federal Government withdrew from the field under the Progressive Conservative Government. It considered this source of "taxation" one that should behoove and apply to the Provinces of Canada rather than to federal authority which, in a traditional and practical way, has the real source of taxation, a tax on the income of the people.

You cannot go wrong with a tax on the income of people. It goes up and down with the economy. If you cannot get your money out of income tax, you are in big trouble. That is the kind of problem the Government of Canada has today. It is in big trouble because it cannot get all the money it needs to pay for all the services it provides from the basic income tax. It has to broaden its tax base. It has to go into areas occupied by the Provinces and municipalities to find those revenues. That is the reason for this insatiable appetite of the federal Government to collect money, not only by normal taxation but by the latest kind of taxation, that is, a lottery.

• (2010)

If you do not agree that this is a tax, Mr. Speaker, let me tell you about the pari-mutuel betting which has been in existence in Canada for over 50 years. That is a source of revenue to the Government of Canada and to the Provinces. It is betting and it is a tax. The Governments take 20 per cent of the revenue or, actually, up to 24 per cent. But that is done legitimately. The Government says to the people involved in pari-mutuel betting at race tracks, "Put all your money in a pool and we, the Government and the track that operates the pool and the races, will take a percentage." The Government gains the taxation resource from that activity in exactly that way. That is quite fair. Everybody knows the rules.

A lottery is no different in kind or in substance. It is the same. It is a betting or wagering activity. You put your money up, Mr. Speaker, and you take your chances. In this case, the difference is that the Government of Canada that is operating the sports pool endorsed by Bill C-95 will not tell you what your return is versus the taxation aspect, Mr. Speaker. That is the only difference between this Bill with its sports pool based on a lottery and pari-mutuel betting.

The Government will not tell you what its take is, Mr. Speaker. It will not tell you whether it is 20 per cent, which is a legitimate marginal take from a wagering activity, or whether it is more. The Government wants more. In fact, as I understand it, it wants 35 per cent. In normal wagering terms, that is unfair on the face of it. That is too much money to take from Canadian people who put their money in a pool that has one declared winner from amongst the people who have participated. One out of every three dollars is too much to take. It is not the traditional rule of 20 per cent applicable to pari-mutuel betting.

Even if Government Members are right, they are wrong. Even if they are right to introduce this legislation in the House of Commons that provides for a sports pool for those willing to engage in that kind of activity, they are wrong about the amount of revenue they expect and want from that activity, particularly when it is borne in mind that no other organization or institution shares in the profits of this exercise. They

claim that they will take those profits and distribute them among various organizations. I am sure that other speakers who have participated in this debate have indicated the potential sharers in this ultimate profit, and there are a great number of them. They include hospitals, medical research, and a whole variety of purposes.

The problem with the Government of Canada today is that nobody believes it any more. It makes all of these lavish claims but it does not back them up with real obligations.

Let me just say in conclusion, Mr. Speaker, that Bill C-95 which is designed to set up the sports pool is before us. We know it is unfair to the people of Canada. It takes too much and it does not even guarantee back to those people of Canada who have participated in it a fair return on their investment, nor does it indicate in any real way that the people of Canada will benefit.

Hon. Jake Epp (Provencher): Mr. Speaker, I would like to add my voice to the discussion on the amendment that has been moved by my colleague, the Hon. Member for St. Catharines (Mr. Reid). It is important that we put what we are debating into perspective. I will repeat to some extent what I have said earlier, but I think it is well known in the House that I oppose gaming and lotteries and especially the way in which Governments, with their moral obligation to the citizens at large, use advertising which at best is questionable to entice people to get involved in lotteries. When Governments advertise that to purchase a lottery ticket is to buy a dream, the force of Government is behind that advertising to the degree that it is believed that if Government is doing it, it possibly should not or does not face the same kind of scrutiny as would be faced by a private individual who put forward a game of chance.

Second, the Government has indicated that it needs this lottery in order to fund the Calgary Olympics. It is surely known by anyone who has looked at the application made by the Calgary Olympic Committee that the only reason the International Olympic Committee recognized and gave approval to the bid from Calgary is that the Calgary sponsors had in their possession a letter stating that the Government of Canada (a), welcomed the Olympics to Canada and (b), would help with the financing of the Olympics. There was no question in the minds of the members of the International Olympic Committee that that support was conditional on whether Parliament would support a sports lottery or a stamp program or an official souvenir or artifact program in order to provide the federal portion of the funding necessary. The only criterion was that the letter was a valid letter from the Government of Canada, the invitation was valid and the financial support was guaranteed. That was it.

The amendment that has been proposed by my colleague, the Hon. Member for St. Catharines, brings directly into focus the deception that is being foisted on the House and the Canadian people by the Government through this Bill, because this Bill does not restrict itself only to the Calgary Olympics. The argument that the Government would like to see take root in Canadian society is that anyone who is against Bill C-95 is against the Olympics and against athletes competing one against another. That is not the issue. The Government wants to get back into the gaming business and it is using the Calgary Olympics as the vehicle by which to do so. Let us be blunt about it. That is what it is.

I know that those of us who have been against Government involvement in the gaming business for some time have been described in various ways. We have been told that we cannot impose our code of morality on the general public. That, Mr. Speaker, is a specious argument at best. Surely every time legislation is passed, that legislation or the regulations flowing therefrom are meant to control or limit in some way the actions of members of society.

Another argument that is used is that gaming does not hurt and that it is voluntary. Gaming hurts, Mr. Speaker. It might not hurt the Members of the House who may put a few dollars into a pool at the time of the Stanley Cup playoffs or the Grey Cup game. All evidence shows that a disproportionate number of people who buy this type of lottery tickets are from the lower economic strata of society.

It is then argued that we cannot protect everyone from his or her own folly. The argument is that you cannot protect everyone from his or her folly. How much time is spent in this House debating social policy with the hope that the human condition will be improved? I think it is almost a violation of what the Government says it stands for to bring in this type of legislation.

• (2020)

The other argument that is put forward is that the Government would not otherwise be able to fund worthwhile projects but that now it can find the funding through lotteries or gaming. I have always held that if the project is valid, that is what the Canadian people should be told and the money should be raised in the same way that it is for everything else that is valid—through taxation.

There is another reason why the Government wants to be in the gaming business, Mr. Speaker. I have been harshly criticized for using this expression but I will use it again—lottery proceeds are a great slush fund for Governments. They can use the money, which they did not get through direct taxation, to hand out all kinds of largesse, a pier here and there, saying, "The Government is doing this for you". There has been too much of that in society already, Mr. Speaker. Surely when the federal Government is finally extricated from this mess it should not want to jump back in with both feet.

I know it is not too common in the House any more to listen to what the churches have to say. But the churches are comprised of Canadians who have some very legitimate concerns about the direction that society takes and, I should like to think, they have a more perceptive view of what some of the steps taken today and some of the easy approvals that the House asks for such as in Bill C-95, can lead to.

I should like to put on record an except from a letter from the Lutheran Church in America—Canada Section, as follows:

At its March 10-12, 1983 meeting, the Executive Committee of the Lutheran Church in America—Canada Section adopted the following motion:

That the LCA-CS, on the basis of our position previously taken, go on record as being opposed to Bill C-95 and that the Government be so informed.

Today I received a telegram from the senior staff officer of the Church in Society, the United Church of Canada, signed by the Rev. Robert G. Lindsey. It reads as follows:

This is the time to stop further Government promotion of gambling in Canada. The United Church of Canada concerned with the Government's refusal to understand its obligation to support morality in Canada rather than to undermine it. We hope that you will do whatever is in your power to stop Bill C-95 from becoming law in Canada. Refer you to the brief by the Interchurch Committee on Gambling and Lotteries circulated to the Communications and Culture Committee December 14, 1982, re C-95 which was sent to you at a later date.

I hope that the Government, including the public servants who are responsible for the Bill, will not sit back and look at the arguments advanced against Bill C-95 as coming from another age. What we are dealing with are some of the bedrocks on which society was formed—decency, morality and the Government upholding that morality. Bill C-95 does not do that, and I oppose it.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I wish to take part in the debate on Bill C-95 with much the same feeling as that expressed by my colleagues who have already spoken. The Bill is supposed to be a refinement of benefits for the people of Canada, proposed by the Government, but I have not heard a Member of the Government try to make the case for the benefits that can be derived through lotteries.

In 1979 when the Conservative Government was in power, the Hon. Member for Edmonton North (Mr. Paproski) was Minister in charge of the Fitness and Sports Directorate. In conjunction with the Provinces he and the Cabinet made the decision that if the Provinces wished to tax through lotteries they could do so, and that by giving up something that the federal Government had total control over, the federal Government would derive some benefit. To date the federal Government has derived almost $100 million but now it is trying again to involve itself in the lottery business, the gambling business, the gaming business.

I come from a part of the country where the men and women on the farms are gambling every year—with mother nature and their expertise. I do not think they need a lottery to stimulate their blood; it is stimulated every year when it does not rain or when it hails or when mother nature causes problems.

What did the Government do with that $100 million? The B-ski team had to come home last year and some of the members were assessed for representing the country. The Government claimed that it did not have any money—but it had $100 million and it had the general revenue of the country with which to support those young men and women—those fine athletes who represent the country. Instead, it billed them additional charges and for travel.

In Clause 14 the Bill sets out the objects of the corporation as follows:

(1) The objects of the Corporation are (a) to organize, operate and manage, alone or jointly with the governments of any one or more provinces with which the Corporation has entered into an agreement or agreements for such purpose, pool systems in accordance with regulations made pursuant to section 16;

That is already in place, Mr. Speaker. The only difference is that the Provinces have control over it. The Provinces take the lead and if they feel that is the way they would like to assist and they would like to impose lotteries upon their people, then that is fine.

Why get the federal Government more deeply involved at this time in a process of taxation—for this is purely taxation and has nothing whatsoever to do with recreation or leisure? There is a hue and cry about the Calgary Olympics. I do not think any Member on either side of the House would deny the Calgary Olympics any funding that is necessary. I do not know anyone who wished to deny funding for the Montreal Olympics when they took place either. This Bill, Mr. Speaker, is not necessary in order to provide funding for the Calgary Olympics. I would like to see any one of the Hon. Members on the Government benches stand and explain why a lottery is necessary in order to provide funding for an Olympic-type games, a grandiose meeting of young men and women from across Canada and athletes from around the world. Why must we have a lottery to do that? More importantly, Mr. Speaker, the Calgary Olympics are about fourth on the list. Clause 18(3) of the Bill states, and I quote:

• (2030)

There shall be paid out of the Consolidated Revenue Fund to or for the support of any one or more of

(a) activities in the following fields:

(i) the arts and culture,

(ii) fitness and amateur sport, and

(iii) medical and health research—

The Minister of National Health and Welfare (Miss Bégin), Mr. Speaker, stood in this House and condemned some of the methods used to provide health care by the Provinces because there is not enough funding provided by the federal Government and here we have a lottery put into place, Mr. Speaker—

Mr. Paproski: And she hates it.

Mr. McKnight: My colleague, the Hon. Member for Edmonton North (Mr. Paproski) says she disagrees with the lottery, and she may. I believe in committee she said she despised the lottery system, but here it is, Mr. Speaker, in this Bill.

One of the beneficiaries of this gambling system which is being put in place by the Government is health and medical research. Surely, Mr. Speaker, health and medical research is too important to be linked with gaming and gambling in this country. We, as Canadians, should be able to provide that type of research without resorting to taxing those who are gambling on a dream, who are really risking what they have because they think there is an easier way. Most of these people, deep down, know that the odds are against them, but it is a chance and it is there, so they put out the $5 or $10.

I am not arguing on the grounds of morality that gambling as proposed in this Bill is bad. I strongly support my colleagues who have spoken on it and appreciate the support which the churches have given to our Party in trying to stop this Bill. However, if one looks at the rationale, the reason behind people being put into the position of having to put out $5 or $10 every week or month to better themselves, it must fall on the shoulders of the Government; it must be a failure of the Government to provide another form, another way of getting ahead, another way of attaining that Canadian dream which so many people in this day and age under this administration have been denied. If the best that this Government can offer, Mr. Speaker, is a lottery, a chance of one in six million or one in ten million, I cannot help but know that it will suffer the eventual rejection by the people of Canada.

After the heading of the Winter Olympic Games to be held at Calgary, it is stated, and I quote:

(*c*) worthy capital projects of national interest in the fields described in subparagraphs (*a*)(i) and (ii)—

We do not even know, Mr. Speaker, what these "worthy capital projects" could be. The problem here is that the Government is asking us to pass a Bill with nothing definite in it. We have five or six proposals as to how this money may be used for the benefit of Canadians, but we have nothing specific. The only specific is the Winter Olympic Games to be held at Calgary, without specific amounts, and that is fourth on the list. If that is all the Government can put forward which is specific, I will be voting against this Bill.

The Government claims on the one hand that it does not have enough money. It does not want to add a tax right up front, lay it out and say, "Here is a tax and it is for medical research." The people of Canada would not object to that. The people of Canada would understand that. However, on the one hand it says it does not have enough money, and is afraid to raise taxes because it feels it has already raised taxes and has spent that money frivolously. However, paragraph 34 of the Bill says, "If you bet, if you take a chance, if you gamble, and if you win a million bucks, we are not going to tax you. It is going to be tax free." It does not make a lot of sense, Mr. Speaker, that on the one hand the Government is afraid to impose a tax and on the other hand, if one wins through the lottery system, it is not going to collect a tax. I look forward within the next few days to taking part in the debate on the other motions in respect of Bill C-95.

Mr. Len Gustafson (Assiniboia): Mr. Speaker, I rise to speak on the amendment put forward by the Hon. Member for St. Catharines (Mr. Reid) with respect to Bill C-95, an Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act.

It would seem to me, Mr. Speaker, that we have before the House in Bill C-95 a Bill which legalizes in fact that which is now illegal. This is a Bill through which the Government imposes upon all Canadians, those who have a voice and those who do not, the legalization of gambling, lotteries, betting and pools. I would like to make very clear in this House, and to the people of Canada, that no one on this side of the House is against the Olympic Games being held in Calgary. We are not against that noble, upright and honest purpose. We stand in support of our youth and of the people from various countries who compete. We stand behind them fully. I would suggest to this House, Mr. Speaker, and to the country of Canada, that the Canadian people would stand behind such a noble undertaking as the Olympic Games.

It was mentioned earlier by the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) that when the Olympic Games were held in Montreal, the Canadian people supported and backed them fully. The Hon. Member for Provencher (Mr. Epp) read into the record the protests of two major denominations and many other churches which have sent protests to the various Hon. Members of this House against what is being done to encourage betting and gambling. The motive of the Olympics is a high one, but the direction in which the Government undertakes to finance it is absolutely demoralizing to the country and to its people. I suggest that I, for one, cannot support the direction being taken in Bill C-95.

You will notice it is the poor who will be hurt. It is the person who probably is not thinking at the time and who invests maybe his last $10 in something which he believes will make him a wealthy person. Therefore, it is a tax upon the poor.

What about the morality of this matter? I believe there must be a question of whether it is right for a Government to inflict this kind of legislation upon the people of this country in the way in which it is inflicted. It is bringing before this House legislation which, as I mentioned earlier, legalizes that which is illegal. I suggest, Mr. Speaker, to Hon. Members on the other side, particular by the Ministers, that if they would go to the Canadian people with a plebiscite on this type of legislation, asking them if they are willing to support athletic events in an upright and noble manner, the people of Canada would say, "Yes, we would." However, if the Government continues in the direction it has taken through the Bill, I would say that it would receive a big "no" from the people of Canada. People in general are not in favour of this type of legislation and this type of moral approach to athletics. The Government could find other ways.

• (2040)

If one considers the Crown corporation which is being put into place to create, to control and to conduct gambling, pooling and betting to support the athletic event in Calgary, one might ask oneself, in what other ways could a Government move? We should consider some of the outrageous spending of the Government and some of the Crown corporations, particularly Canadair, involving $1.4 billion.

Mr. Epp: Even makes gambling look good.

Mr. Gustafson: It would make it look very sickly. It would promote, I suppose, one of the largest athletic events in the history of Canada.

Mr. Epp: In the world.

Mr. Gustafson: Probably in the world, as the Hon. Member for Provencher (Mr. Epp) says, just by some responsible direction by Government.

I want to make this point. Government Members opposite may say, "This is hindsight. We could not help it. We just were not on the ball. We were not looking after the business of the people of the country. We will admit that we were not responsible". If they are not saying it, they should say it. However, I am suggesting that what we need in this country is responsible Government in all Crown corporations, and a responsibility to the morale of the country and to the morals of the people whom we represent in the House. I do not see this as being a responsible move in a country like Canada, considering its roots, its background and, I should say, the importance Canadian people place on the Government's moral responsibilities in the House and to the country.

Some Hon. Members: Question.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Blaker): 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 nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Blaker): I should explain to the Hon. Member for Kindersley-Lloydminster (Mr. McKnight) that I do not see, I hear.

Mr. McKnight: I have noticed that, Mr. Speaker, when you are recognizing me.

Mr. Mayer: You don't hear very well, is what he is saying.

The Acting Speaker (Mr. Blaker): Then I can assure the Hon. Member that he is well-favoured.

Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

Mr. Joe Reid (St. Catharines) moved:

That Bill C-95, An Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, be amended in Clause 18 by striking out lines 11 to 20 at page 8 and substituting the following therefor:

"of the XV Winter Olympic games to be held at Calgary, Alberta,"

He said: Mr. Speaker, I must say it is with some pleasure that I put before the House Motion No. 3 which has the effect of making the XV Winter Olympics, to be held in Calgary, the sole beneficiary of whatever games the Government introduces as the result of the proposed legislation. The Government and, perhaps particularly, the Minister responsible for the processing of the Bill through the House, have been heard to say far too frequently that if the Opposition continues to delay the Bill, then Calgary will suffer or, particularly, the Calgary Olympics will suffer. However, I want to emphasize now, as I have before, that it is not the Official Opposition that is delaying the passage of the Bill. The Minister and those on the other side must recall that it was rushed through the House, through second reading, so that it could go through the committee stage before Christmas of 1982. Here we are in the last week of this session, June of 1983, with the Government trying again to rush it through the House.

We have said with some degree of frequency that what the Government should do is to separate the sports pool Bill from the funding of the Calgary Olympics. The Government knows full well that even with the passage of the Bill today, if it happened to pass today, it would be a matter of years before the Calgary Olympics would receive any benefits from any of the resources of the Bill that is before us today.

Besides that, there are several options open to the Calgary organizational committee. However, any one of those options is dependent on the co-operation of the federal Government as, for instance, the offer which was made by the Provinces through the interprovincial lottery corporation during the committee stage, that they would assist the federal Government or even carry the commitment of the federal Government to Calgary and honour that commitment if the Government withdrew the sports pool Bill. But no, the Minister says that he must bargain from strength. I ask You Honour whether the Minister is concerned about the Calgary games or is it the Government's fixation or obsession for getting back into the gaming business? Obviously, it really is not the success of the Calgary games that is a priority with the Government.

Mr. Munro (Esquimalt-Saanich): It's not even at the top of the list.

Mr. Reid (St. Catharines): If that were the case, the Bill would have come on earlier or the Government would have entered into some negotiation with respect to honouring the commitment. I heard the Minister say again today that, of course, Calgary knew from the very beginning that it would be funded from non-governmental revenue sources. However, when the Minister went with the Calgary organizational committee to Baden-Baden, joining in issuing the invitation to come to Calgary for the XV Winter Olympics, I wonder whether he told the International Olympic Association that Canada's funding would be limited to non-governmental revenue sources. I suggest that that was not the case.

While the games are being held in Calgary, Canada stands to absorb some of the abuse that goes with the lack of ability to adequately fund the games that Calgary wants to put on. Each month of delay makes it less likely that Calgary will be able to stage the kind of facility presented at Baden-Baden some years ago.

The Government continues to say that the Opposition holds up or delays these games. It has not even considered the possibility that both the Canadian Olympic Association and the Calgary Organizational Committee wanted to stage a lottery game of their own. What happened to that proposition? We are still in the position of saying that we need a sports pool to fund the Calgary Olympics. But both the Government side and this side, as well as Calgary, know that we will never fund the Calgary Olympics based on the sports pool.

• (2050)

At third reading of this Bill we will have a chance to expand upon the various reasons why the Bill should not pass through the House. All that aside, let us concern ourselves with the motion before us now.

In 1976 the federal Government proposed to enter the lottery field to meet its commitment to the Montreal Olympics and then to vacate that field. Members will recall the commitment made to vacate that field once the Montreal Olympics were completed. On that basis, this Party supported that position and voted accordingly. Therefore, we propose through this motion that the same approach be taken with respect to Calgary. We can do no less. If the Government is not prepared to honour its commitment out of tax revenues, then it must be prepared to negotiate adequate funding from one source or another. If the sports pool is the only means that can be used to fund those Calgary Olympics, let the Government make it clear and unequivocal that the proceeds from the sports pool, or whatever other lawful game it proposes under that Clause, should go to the Calgary Olympics. If it will be sold to the public as a sports pool, then let the Calgary Olympics get the benefit of that marketing process. Such is the purpose of our amendment. Calgary should be designated as the sole recipient of the sports pool proceeds. Once the games are completed the participation of Canada in the gaming business should be discontinued. Upon the completion of the Calgary Olympics, Canadians would then have the option of continuing to show interest in gaming businesses of this nature.

More particularly, Canadians would have the opportunity to participate in the funding of the Canadian Calgary Olympics. By doing so, they would participate, as they chose, in whatever amounts they chose, in the funding of those Calgary Olympics. Once more, Calgary would then be receiving exactly the same treatment that this House accorded the Montreal Olympics. In effect, if the lottery game proposed by this legislation is primarily for Calgary, since the Government said that Calgary is being hurt by the delay of this legislation, let us name Calgary and the XV Winter Olympics as the beneficiary of this legislation.

The Minister spoke in committee of the necessity of providing the people with a voluntary means of financing such events. If we are to have the benefit of a sports pool, if the game is to be promoted as a means of assisting the Olympics, then here is a clear and unequivocal way of showing how those moneys will be spent and who will receive the benefits of the dollars spent by millions of Canadians in the purchase of lottery tickets, or participation in the unknown games which this House proposes to inflict upon Canadians. In conclusion, I support and urge the acceptance of Motion No. 3 by the House.

Hon. Steven E. Paproski (Edmonton North): Mr. Speaker, I was delighted to hear my colleague, the Hon. Member for St. Catharines (Mr. Reid), as well as my other colleagues speak today in opposition to this particular sports pool.

This weekend, thousands of the world's best athletes from five continents will be in Edmonton to participate in one of the world's greatest amateur sports and one of the greatest spectator events, the University Games. They will be held in the constituency of my colleague, the Hon. Member for Edmonton South (Mr. Roche). It is a great occasion which will open on Friday, July 1, while celebrating Canada's one hundred and sixteenth birthday. At that time, Princess Diana and His Royal Highness, Prince Charles, will be at the games. Of course, this will be the twenty-second birthday of the Princess.

The reason I bring this to the attention of the House is that funding was provided under a principal agreement which was signed by the provincial Governments. It represented a great exercise in federal-provincial co-operation. In fact, it was one of the only agreements which I believe was signed in our short-lived Government.

Mr. Fox: It was the great give-away.

Mr. Paproski: It was not the great give-away as the Minister of Communications (Mr. Fox) realizes. He has that $98 million, half of which goes to him for culture.

Mr. Fox: How much?

Mr. Paproski: It is $98.7 million.

Mr. Fox: To give away for $35 million.

Mr. Paproski: Let us say close to $100 million, that the Government is getting from the Provinces in order to give it $50 million for culture and $50 million for fitness and amateur sports.

Mr. Fox: Twenty-four million dollars.

Mr. Paproski: That is accumulated. If the Minister would like to comment let him get up and talk. I hope these minutes will not be taken from my time, after all of this disturbance here.

I mentioned the University games because they are part and parcel of the agreement. You have no idea of what the president, Ed Zemrau and Alex Fallow, chairman of the Board, and other colleagues in Edmonton had to go through in order to receive financing from the federal Government. The money was there for the purpose of the University games and the Calgary Olympics. They were the subject of the objectives and principles in the agreement which was made with the provinces. Yet they had to get down on their knees in order to get something from the Senator in the other place. I cannot

describe how badly I feel that the Government has not lived up to the agreement.

Let me bring to the attention of the House the objectives and principles for the agreement we had with the provincial Government. With respect to arts and culture, the objectives were as follows: First, to assist activities within the arts, heritage and cultural industry sectors not otherwise possible on the basis of existing resources or programs; second, to promote public access to Canadian cultural works; third, to promote public participation in arts and heritage activities; and finally, to equalize opportunities to all Canadians to share in our cultural life.

Let me describe the principles for art and culture since the Minister wants to know. They are; First, to maximize opportunities for joint federal-provincial and, where possible, municipal or private sector participation in program or project funding; second, to avoid new funding programs which would require growth in federal government personnel; third, to design programs in a way that long-term financial dependence on this source of funding is not created, but that long-term benefits are realized in the arts, heritage or cultural industries sectors; fourth, to favour programs which benefit the general public over those which relate primarily to professional, organizational or other particular interests; fifth, to ensure that all dispensements of the funds are in accordance with standard government accountability practices; and sixth, to permit a greater federal share in joint programs or projects in those regions and communities which are economically disadvantaged.

• (2100)

Let me tell you what happened in fitness and amateur sport. Programs and projects must be designed to encourage, promote and develop fitness, amateur sport and physical recreation in Canada. The principles are as follows:

Programs/projects must be a national or international import, including research in the areas of fitness or amateur sport or physical recreation.

Programs/projects must be easily identifiable to the general public and thus be effectively promoted or advertised.

Programs/projects must be new in nature or be expansion of existing authorized ones.

Programs/projects which receive partial federal funding should be encouraged to obtain other necessary funding from other acceptable public and/or private sources.

Programs/projects which receive funding, must not be in conflict with provincial jurisdictional programs and/or projects of similar character.

Programs/projects requiring major capital costs will not be eligible.

Programs/projects which receive funding will be subject to T.B. directives re Grants and Contributions.

Student Games for Edmonton (World Student Games).

Calgary Winter Olympics.

Next we come to the conditions as follows:

Programs/projects which conform to the above principles will be considered and evaluated against appropriate Departmental criteria for recommended funding providing the applicant(s) meet(s) one or more of the following conditions:

The applicant(s) must be one of:

(a) A national sport governing body.

(b) A multi-sport co-ordinating body or agency.

(c) A multi-sport recreation administrative organization/agency.

(d) A world-class amateur athlete or national coach as determined by the relevant sport governing body.

(e) A duly constituted Organizing Committee of a national or international sport or multi-sport event.

(f) A national organization or agency, or an institution or qualified researcher in the field of fitness, amateur sport, and physical recreation.

(g) A national multi-purpose association with a major emphasis in the field of fitness and physical recreation.

I bring this to your attention, Mr. Speaker, because I heard the Minister say the only thing the Government had to give the Calgary Olympics, or part of the criteria when Government representatives went to Baden-Baden, was the stamp, coin and sports pool. There was no such thing as a sports pool. There was no such thing as saying to the people at Baden-Baden that there were coins and stamps. You do not do that before a professional body, the COA or the International Olympic Association. You say that you are going to be part and parcel of one-third, one-third and one-third; the municipality, the province and the federal Government.

Two applications were made. An application was made on behalf of Vancouver and an application on behalf of Calgary. Calgary was awarded the games. It did not matter who received it. The Government is committed to one-third of the capital costs of the projects. It is wrong for the Minister to deceive this House. I do not know whether he did that intentionally, but I find that these types of things do happen.

Let me talk about this agreement we made with the provinces, and I must say it was a very good agreement. Let me tell you what we did. Part of this agreement reads:

In view of the fact that this agreement is expected to result in increased earnings for provincial lotteries:

(a) the Provinces of Alberta, Manitoba and Quebec will assume responsibility for any Government of Canada share estimated to be $13.5 million of the costs relating to the expansion, upgrading and renovation of the NHL arenas in Edmonton, Winnipeg and Quebec City.

The Minister under the Government previous to ours was Iona Campagnola, who went ahead and financed professional sport. We had to try to negotiate ourselves out of that deal. We did so. Another part of this agreement reads:

The Province of Ontario agrees not to request financial assistance from the Government of Canada in respect of the Royal Ontario Museum.

The Province of Alberta also looked after the Olds disaster fund in the amount of $2 million. The Hon. Member for Red Deer (Mr. Towers) helped negotiate that deal when we were in government. The Olds arena was burned down. We went ahead and had Alberta fund that $2 million.

There is another portion of this agreement which I think I should bring to your attention, Mr. Speaker. It reads:

On or before October 1, 1979, the Provinces of Ontario and Quebec will each remit the sum of $2,595,675.85 owed to Loto Canada Inc. under the Loto Select memorandum of understanding dated October 5, 1978.

The former Minister, Iona Campagnola, who represented the riding of Skeena, was a great Minister, but she went ahead and got herself into Loto Select, the same thing as Hockey Select and the same thing as the sports pool. We had to get her

out of it. I will have more to say on these things, there is so much to say about them.

The only thing concrete about the whole affair is that there is a possibility of deceit in this Minister that I dislike. I hope other Members will bring that to the foreground. I agree with my colleague, the Hon. Member for St. Catharines, and I will vote for his amendment.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, of particular note this evening is the fact that the Hon. Member for St. Catharines (Mr. Reid) on behalf of the Progressive Conservative Party has moved a significant amendment, yet we have not yet heard from the Government side. At one point three Ministers of the Crown were present in the House. We have had no indication from the Government whether or not it supports this amendment. I suspect—

[*Translation*]

—Mr. Speaker, the Liberal Party is a party of silent Members, as usual.

[*English*]

The Minister who introduced this Bill in the House has travelled to the City of Calgary and to other communities across this country. He has spoken on radio, he has given newspaper and television interviews and he has said that the Progressive Conservative Party is blocking this piece of legislation, that we are filibustering it and will not let the Bill pass. He has said "Isn't it a shame because the Bill needs to pass if there is to be funding for the Calgary Olympics?" That is what the Minister has said. The truth-telling Minister has said that we must pass this Bill in order to have funding for the Calgary Olympics.

Mr. Epp: Easy on the word "truth".

Mr. Hawkes: Easy on the word "truth"? It is a word the Minister uses to describe himself and it is one that I would not use in a million years. When a Minister says that this piece of legislation must pass this House in order to provide funding for the Calgary Olympics it behooves every voter to read the Bill. If you read it carefully, Mr. Speaker, you will notice there is not a word guaranteeing that a penny raised will go to the Calgary Olympics. There is absolutely no requirement in this piece of legislation that a penny, a dime or a dollar, will go the Calgary Olympics. When a Minister goes to public meetings and to the media and says that we have to pass this Bill in order to provide money, you would think that an honest Minister would put into the piece of legislation the simple fact that if money is raised—and there seems to be some doubt whether money can be raised through this mechanism—it will go to the Calgary Olympics.

I want to congratulate the Hon. Member for St. Catharines. He has moved an amendment, the one we are debating now, that will guarantee that if money is raised it will go to the Calgary Olympics. If the Minister, the Cabinet, the Prime Minister (Mr. Trudeau) and the Liberal Party of Canada are telling Canadians the truth, that this piece of legislation is to provide money for the Calgary Olympics, then they should signal the fact in the House of Commons that they intend to vote for the amendment. They cannot have it both ways. They cannot tell Canadians that they need it for funding and then refuse to include in the legislation that the funding will be used for the Calgary Olympics. If the Liberals rise in the House and vote against Motion No. 3, they will be clearly branded for the Canadian voters as liars. To vote against this amendment and to stand up and say the measure is necessary for the Olympics is to brand oneself in each and every individual case as a liar, because there is nothing in the legislation to indicate that one dime has to go to the Calgary Olympics.

• (2110)

The legislation indicates that the money, if it is raised, could be used for arts and culture, fitness and amateur sport and for medical and health research. The only item missing in that list of activities for an advertising manager who wants to promote the sale of lotteries is something to do with children. It is a peculiar list of human activities for which the profits of this fund are to be used. It is an advertisement agency dream, because who can be against arts and culture, fitness and amateur sport or, more important, medical and health research?

The Liberals are making a public statement about their personal morality and about their concept of Canadian society, that funding for these activities shall be chancy and depend upon the willingness of Canadians to bet. What a different statement we would have if the Liberal party of Canada said it wanted a sports lottery and the funding would go to drill oil wells, to put buoys in the ocean, to build a frigate or to build an atomic bomb. No, the Liberals say that those things will get their funding. Petro-Canada will get $400 million to drill oil wells but medical research will depend upon Canadians who want to bet and take a chance. In other words, they will fund medical research, arts and culture, and fitness and amateur sport from the back pockets of the poorest segment of Canadian society. Those things will be subject to the hazards of the willingness of Canadians to bet at any given point in time.

But they want to drill oil wells in the Arctic and to give the President of Petro-Canada his private jet to fly weekly back and forth to Calgary. They will ensure that that funding is secure; they put it in the budget and they have it for spending. But when it comes to an international commitment to amateur sport around the world, it will depend upon the willingness of the poorest segment of Canadian society to bet. If we want increased medical research, it will also depend upon the poorest segment of Canadian society.

The Government's morality and priorities are upside down. The reason for the list of activities in the Bill is to sell tickets, to encourage Canadians to bet. I would not be surprised after this speech to see a Liberal rise and suggest that some kind of charity for children be added to the list because that would help sell even more tickets. The purpose of the list is to sell tickets.

I would like to suggest one more test of the sincerity of the commitment of the Liberal Government. When this Bill is

pushed through the House, it will create jobs. There will be people needed to sell the lottery tickets. There are two million unemployed Canadians out there, some of whom are watching the House of Commons this evening. I suggest to every one of them that they write to the Prime Minister and say, "I want a job selling lottery tickets". They could go one step further. If they do not obtain the jobs, they could ask the Prime Minister for a list of those who got the jobs and ask him to put a little asterisk beside the ones who were on unemployment insurance or who were unemployed. I bet there will not be many asterisks, that those jobs will not go to unemployed Canadians. They could ask him to put two asterisks opposite the names of those who donated money to the Liberal Party in the last year, and I bet there would be quite a few of those asterisks.

We are not dealing tonight with a piece of legislation that makes any sense in relation to funding the Olympics. We have the experience of the Province of Quebec trying a similar idea which is going bankrupt. It will not make money, it will not get the job done. It leaves volunteers in the City of Calgary, people who are donating their time and effort to the success of this endeavour, on the horns of a dilemma. Because there is no guaranteed funding, they cannot plan.

The reputation of Canada is at stake in the international community. Our Party has made a firm commitment. If we were the government, and when we become the government we will write a cheque to the Calgary Olympic Authority and give it the money it needs to protect Canada's reputation in the international community. That is our promise, that is our commitment. It has been clear and it has been consistent.

I urge some free-thinking Members of the Liberal Party of Canada when the vote comes to be absent from the House or to have the courage to rise and vote against it. I encourage them to take their lead from the Minister of National Health and Welfare (Miss Bégin) who stated in committee that she despised lotteries. We do not need one. We do not want one. We should keep our commitment to the Calgary Olympics, but we should get rid of this piece of legislation and move on to something else.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I would like to ask the Hon. Member if he is prepared to accept questions.

The Acting Speaker (Mr. Blaker): I ought to interrupt the Hon. Member for Sherbrooke (Mr. Pelletier), but—

[*English*]

Apparently he seeks the unanimous consent of the House to pose a question to the Hon. Member for Calgary West (Mr. Hawkes), but it has to be sought before he proceeds. Is there unanimous consent for the Hon. Member to ask a question?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I am flabbergasted at the Hon. Member's speech.

This is the party which in 1979 abolished Loto Canada and assistance to amateur sport. I remember quite clearly that universities and provinces and many people involved in amateur sport in this country protested against this action, and the the Hon. Member, who was the Minister responsible for Sports at the time, received requests from a great many people in this country. People asked him to make sure that amateur sport would be protected. Since the Hon. Member had been involved in professional sports, he said that Canadians themselves would take care of that and that people across the country in the private sector would be able to help amateur sport. This plan was bound to fail. And now the Hon. Member is saying that the Liberal Party is responsible for the lack of funds for the Calgary Games. That is simply ridiculous. If there is one party in Canada that is responsible for having practically done away with amateur sport in this country, it is the Hon. Member's party, which did not bother to protect Loto Canada—

The Acting Speaker (Mr. Blaker): Order please. The Hon. Member asked for unanimous consent in order to ask a question. I have yet to hear the Hon. Member's question.

Mr. Pelletier: Mr. Speaker, first of all, I would like to know whether the Hon. Member consulted Canadian universities about the cuts that were made when his party was in power, and second, because I also happen to know very well the people who are organizing the Calgary Olympics, I would like to know—

• (2120)

[*English*]

The Acting Speaker (Mr. Blaker): Order please. One at a time.

Mr. Hawkes: Mr. Speaker, it may interest the Hon. Member to know that I was a member of the academic community in the university for some considerable period of time prior to my election, and I stay in touch with those organizations on quite a regular basis. I am fully aware of the negative impact on those institutions of the recent budget cuts by successive Ministers of Finance in terms of transfer payments. They are in fact very, very difficult for the university to deal with and absorb.

In my previous incarnation as an academic, I taught the issue of policy making and policy development. One of the fundamental principles of that is that any group, organization or Government is forced to make choices. It is not always possible to do all things. I point out to the Hon. Member that in two Crown corporations, Petro-Canada and Canadair, the Government has chosen to spend $2,400 million in the last 12 months in subsidies. The Olympic bill would be $200 million spread over eight years. That is $2,400 million of choice which the Cabinet has made essentially because the backbenchers in that Party have not held the Cabinet accountable to make decent public policy choices.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I hope we will have more questions like that coming from the other side. I might suggest that the Hon. Member for Sherbrooke (Mr. Pelletier) stand up and participate in the debate. He likes to stand up and make speeches; why does he not participate in the debate? There has not been one Grit who has had enough nerve to get on his feet during this debate today. It has been a shameful display today by the Liberal Party.

I rise to speak to Motion No. 3, an amendment by my colleague from St. Catharines (Mr. Reid), to restrict the sports pool or numbers racket to provide funding for the 1988 Calgary Winter Olympics. I support that amendment.

Earlier today I spoke about the money paid out to the Grits already in trying to set up this sports pool. Martin O'Connell, a former Member of Parliament, received $3,102 to define financing and accounting systems. Goldfarb received $16,000 to do research. An outfit by the name of Howard & Associates received $297,687 to do a number of things. Somebody by the name of Dr. Schwartz—

The Acting Speaker (Mr. Blaker): Order, please. I am not going to draw the Hon. Member's attention to the issue of relevance. It is my view that he can continue in the vein in which he is now proceeding. However, I must remind the Hon. Member that the precedents of the House indicate that an Hon. Member cannot make the same speech twice.

Some Hon. Members: Oh, oh!

Mr. McDermid: Mr. Speaker, I know how much it hurts the Government to hear these things repeated to them. Therefore, I will continue with—

The Acting Speaker (Mr. Blaker): Order. It is irrelevant to the Chair whether it hurts the Government or does not. The rules are that the Hon. Member cannot make the same speech twice in a row.

Mr. McDermid: With the greatest of respect, Mr. Speaker, if you read the blues you will find that is is not the same speech.

I want to read a press release which the Minister issued when he was discussing this Bill, to show the Canadian people how misleading he has been in presenting it. It is dated March 18, 1982. I quote:

> By introducing the legislation now, Mr. Regan expressed the desire to see the Bill passed as expeditiously as possible, so that the new corporation can be established quickly and the sports pool game finalized and in operation. The Calgary Olympics will be given substantial financial support from Sports Pools revenues and it is important that funds become available soon so that the planning and preparation of facilities can begin.

That may not be the most misleading statement coming from that Minister, but it is one of the most misleading.

The planning and preparation of the facilities by the people in Calgary has been going on for a very long time. For the Minister to try and convince the people of Canada that the Olympics depends on the success of this sports pool or numbers racket is absolutely foolhardy. I can show that the moneys to be received from this numbers racket, if it ever gets into place, will not be there for the olympics. Let us look at where the money will go. The Minister is afraid to be specific. He thinks that Calgary will receive approximately 40 per cent of the net proceeds. He says that the net proceeds in one year will be about $100 million.

I want to go back to Loto Canada. In 1977-78 and 1978-79, the two full years it was in operation, lotteries were at their heyday. There was very little competition like there is today. In 1977-78, the net return to Loto Canada was $74,300,000. the following year 1978-79, it dropped dramatically to $62,471,000. At that time there was very little competition for lotteries, sports pools, or whatever you call them. It was going down rapidly when Loto Canada was put out of business, and rightly so.

Let us talk about the costs of those two years and the type of spending which the Government did on those lotteries. In 1977-78 they spent $10,400,000 on advertising and in 1978-79, $13 million. Ticket printing in 1977-78 was $3 million. It went to $8 million in 1978-79. Sales promotion went from $5 million to $7 million in one year. Public relations went from $322,000 in 1977-78 to $1,436,759 the following year. What did public relations take into account? I can see the staff giggling up there, but I want to tell Hon. Members that Loto Canada had a permanent hotel suite in the Four Seasons, outfitted with the finest of booze, food and entertainment all the time. The Chairman of Loto Canada had his own limousine and driver—nothing to it. That is where the money was being spent. That is why expenditures went from $322,000 to $1.4 million in one year.

Office supplies doubled in one year, $317,000 to $722,000. Furniture almost doubled from $250,000 to $402,000 in one year. Expenditures were phenomenal. This is why people do not want to see these great corporations, Crown corporations, established by this Government. They waste money, even though it is money raised by gambling, it is atrocious.

In our Motion No. 3 we say that we want the money to be slated for one purpose and one purpose only. If the Government is going to bring in this ill-conceived method of funding the Olympics as well as all the other things listed, then heaven knows where the money will go. We say it should be for the Olympics and the Olympics only. It should not be open-ended. There is no sunset clause and no real accounting to the Canadian people of what is going on. Some of the mess created in Loto Canada is now just coming to the fore, a mess created when it was being run by the Government that was then in power.

Let us take a hard look at Bill C-95, in particular where it says who will be the beneficiaries of this sports pool. It says there will be worthy capital projects in the area of fitness and amateur sports or arts and culture. Does that mean that the Minister of Labour (Mr. Caccia) will take money from this lottery to build a dome stadium in Toronto, for example? Is that what it says? It does not even define it clearly in the Act.

I does not set out in any way, shape or form what proportions the beneficiaries are to receive from the pool.

• (2130)

The Minister says that 40 per cent of the profit might, and I repeat might, go to the Olympics. He will never raise the $200 million that is needed to meet the commitment to the Olympics with 40 per cent of the net proceeds because I think he will find that this particular numbers racket game he is trying to put together will not in fact succeed. I do not think he will sell that many tickets.

The lack of a fixed distribution formula lends itself to a state of uncertainty. Fitness and Amateur Sport will not know how much money it is to get from year to year. There will be no way for it to budget or to make long-range plans or to set up a four year training period to lead to the Olympics games when it does not know what its funding will be.

Mr. Paproski: 40 per cent of nothing is nothing.

Mr. McDermid: As my colleague, the Hon. Member for Edmonton North (Mr. Paproski), has said, 40 per cent of nothing is nothing.

The number of beneficiaries of the lottery is far too large. They are spread out all over the place. I do not think there will be enough money from the lottery for anybody, let alone for the Olympics.

If the Government is determined to ram this thing through and to bring this to the Canadian people then, Mr. Speaker, I suggest that it be used for one purpose and one purpose only, and that is to come to a termination in 1988, or whenever the debt is paid off for the 1988 Winter Olympics, so that we can be assured that Canada will put on its best face in 1988 for those Winter games.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, here we are at 9:30 p.m. on Monday, June 27, 1983.

An Hon. Member: It is 9:32.

Mr. Munro (Esquimalt-Saanich): All right, 9:32 p.m. I must ask myself, Mr. Speaker, what we are doing here tonight discussing this particular Bill when, four days from now, we should be celebrating Dominion Day and getting back to our ridings—

Some Hon. Members: Canada Day.

Mr. Munro (Esquimalt-Saanich): I insist, we shall be celebrating Dominion Day four days hence and I do not see the urgency of this particular Bill. I do not see why we are sitting here. I am baffled, Mr. Speaker. I just do not understand because, as mentioned by my colleague, the Hon. Member for Brampton-Georgetown (Mr. McDermid), the Bill was first introduced on March 18, 1982 with all sorts of fanfare and all sorts of requirements to be passed right then because of the money that will be needed. That was on March 18, 1982, Mr. Speaker. Then it was passed through second reading, and the amended Bill we have before us now was passed through committee and reported on December 22, nine months later.

Now, another seven months later, Mr. Speaker, we are here, having been in session today since 11 o'clock this morning, discussing a Bill which is an abomination.

But aside from that, it is not an urgent Bill. We are trying to improve it and make sure, by the amendment we are discussing tonight, that this Bill will be designed to help the Winter Olympics and that is all, nothing more. We are trying to ensure that this Bill will enable the Government to honour the commitment it made in 1977-78 when Government Members entered a field which was not properly theirs to enter in the first place in order to finance the Olympics in Montreal. At that time, they made a solemn undertaking by saying: "This is a once and for all deal. We will get out of lotteries once the Montreal Olympics have been refunded. This is an invasion of provincial jurisdiction and we recognize that, but for this particular purpose, the Montreal Olympics, we will get into it this time, and as soon as that has been cleared away we will get out of it and we will stay out of it." Now they are trying to get into it again.

Government Members are trying to suggest, Mr. Speaker, that it is a matter of urgency when, 15 months ago, they introduced the Bill and we are just now coming to report stage of debate. I do not know where they get their notions of urgency and importance and priorities. It staggers the imagination.

Here we are on the 539th sitting day of this first session of the thirty-second Parliament discussing a Bill which we ought not to be discussing at all because, unless the constitutional proposals which were brought forward in 1980-81 changed the distribution of powers, we are once again invading a provincial field of jurisdiction. But here we are at this stage in the life of this particular session of the thirty-second Parliament dealing with a matter of relative inconsequence. I cannot understand why we are doing it, but here we are.

This Bill is in many ways a repudiation in legislation form, Mr. Speaker, of an undertaking made by the Government when the Montreal Olympics funding exercise was terminated, as was explained by the Hon. Member for Edmonton North (Mr. Paproski). Why the Government decides to undercut a contract which was concluded between the federal and provincial—

Mr. Dubois: Contract? It is a giveaway.

Mr. Munro (Esquimalt-Saanich): I use the word "contract" and I mean it. If Liberal Members do not know what a contract is, it is quite obvious where they have been driving the country. They do not know about contracts. They do not even honour their own word. That is the sort of Government we have been putting up with for so long.

The Bill is 15 months old. It was introduced on March 18, 1982, went through committee and was reported back to the House on December 22. Here we are on the 539th day of the sitting dealing with this particular Bill at report stage.

The Bill is offensive to me for another reason, Mr. Speaker. We are creating another Crown corporation. I do not know how many Crown corporations this makes now. I am sure that no one from the Liberal side of the House could tell me how many corporations this will make because Crown corporations have been—

Mr. McDermid: That makes 424.

Mr. Munro (Esquimalt-Saanich): They have probably spawned some more overnight that the Hon. Member did not know about. These Crown corporations have a habit of spawning overnight.

I would like to read a few comments made by an authority on Crown corporations, and this is what he had to say only a few months ago:

> The sheer number of corporations which must report to the government has grown to the point where the relevant government departments to which they report are finding it increasingly difficult to cope with this aspect of their responsibilities. This is due to the fact that departments are structured, and properly so, around the requirements for the performance of their primary policy and regulatory functions. Departments are not structured to provide the kind of institutional environment required for performance of the role of shareholder of a commercial company—

—as are Crown corporations. He was not thinking of this particular Crown corporation as he had no idea that it was coming into existence. He goes on:

> But the system is now becoming unwieldy and needs, I would contend, even more drastic changes than those which have been contemplated to date.

He goes on:

> —despite the measure now in place or contemplated for more effective control of budgets, programmes and financing, there is as yet no actual process of reviewing all government commercial investments on a basis that applies the kind of criteria which private investors would apply.

I think it might be very revealing if I were to suggest, Mr. Speaker, that those words are taken from the notes for a speech delivered by Mr. Maurice Strong, one of the greatest advocates of Crown corporations. We do not know how to deal with Crown corporations or how to make them responsible. When we look in the Bill for provisions governing their responsiveness to Parliament, we see that Mr. Strong was quite right.

• (2140)

The purpose of the Bill is to provide the Government with a way out of a situation in which it ought not to have found itself in the first place. Motion No. 3 would make the lottery a one-shot operation instead of giving this or any other Government carte blanche to conduct pools in perpetuity, be they "CanPool" or "PoolCan" or "TroughCan"—and I think that is probably the best name. The amendment would provide the Government with the opportunity to honour the commitment it made in 1976 to vacate the lottery field once the Montreal Olympics had been properly financed.

Unless there have been some changes in the constitutional proposals—and I rely on my colleague the Hon. Member for Provencher (Mr. Epp) to put me straight on this but I do not think there were changes that gave the federal Government permission to enter this field of normal provincial jurisdiction—I feel that this Bill ought to be ruled out of order by the Chair. It is improperly drafted, and it does not belong in this Chamber but would be more properly discussed in provincial legislatures.

Hon. Jake Epp (Provencher): Mr. Speaker, I want to speak to the amendment. I have said previously, and I repeat, that I oppose gaming and gambling. Therefore, to some degree, this amendment put forward for a very specific purpose by my colleague the Hon. Member for St. Catharines (Mr. Reid), has limited appeal to me. I should like to give my reasons for this.

The reason the Hon. Member for St. Catharines put the amendment forward was specifically to try to hold the government to its word; that is, that the Bill restrict itself to the Calgary Olympics, despite the fact that this Party believes a commitment was made by the Government to the Canadian Olympic Association, and through that Association to the International Olympic Committee, and that those obligations should be honoured.

The amendment puts the Government to the test of its word, that the lottery is specifically for the Olympics in Calgary and that is why the Government needs the Bill. When the House divides on the question it will be interesting to see whether the Government backs up the words it used in the House and in committee, as well as in press releases.

I am lukewarm at best to the amendment because of the promises made by the Government at the time of the Montreal Olympics. When I became a Member of this House, the first committee I was assigned to was Miscellaneous Estimates and the first Bill that committee was seized of was related to the sports loto, the stamp program and the coin program. I remember sitting on that committee, not until a quarter to ten or eleven o'clock, but until well past midnight. The Government used its majority to keep the committee sitting, claiming that if the Bill was not passed that night the Montreal Olympics could not go forward.

First of all the Government promised that the Olympics would be self-supporting. It said that these programs would take care of every obligation it had to the Montreal Olympics. Second, it said that the Olympics would be everyman's Olympics, they would be fun, they would be first class and they would be frugal.

In the history of the Olympic games has there ever been more waste than at Montreal, Mr. Speaker? In fact, I went to a concrete contractor in my riding and told him the price of concrete delivered to the Olympic site. I asked if he could deliver from my constituency in Manitoba to Montreal. He said that he could and make a profit; the only problem was that he might not get the truck back.

Those were the promises and that was the action, Mr. Speaker, but that is not the end of the story. Some Members of the committee went to the Olympic site. We went to City Hall, we met with the mayor and we confirmed what all Canadians know about the Olympics, that the Olympics in Montreal could no more have a deficit than what—than the mayor could

have a baby! Mr. Speaker, this has to be the longest gestation period in the history of mankind.

The Government, its spokesmen and all those who supported the Olympics knew that the financing was not going to be available and they had to hoodwink the Miscellaneous Estimates Committee and other Canadians who wanted the Olympics but wanted an accounting. That same hoodwinking is taking place in this House tonight. I say to Hon. Members opposite that they have cried wolf once too often. We simply do not believe them now.

That is still not the end of the story, Mr. Speaker. What has happened since the Montreal Olympics? What about the court cases? What about the lining of pockets? What about the convictions? That is the legacy. How is it that the Government did not tell us about those things?

While this amendment is put forward with the best of intentions—and I respect that—I am a Member who just does not believe that the pool is going to give the people of Calgary and the volunteers the financial commitment that the Government made in the first place.

While I might be a strong critic of the Government in the Province of Manitoba, I acknowledge that it has done one thing well—it has brought to light what the lotteries are costing Manitobans. There is a commission on lotteries and they call it the $100 million gamble. The Province has just over one million people. The closest thing to the sports pool is the Calcutta we have in Manitoba. That is why I say I do not believe this program will provide the funding. I will use the Calcuttas in Manitoba as an example and the numbers can be extrapolated for Canada.

The Calcuttas or betting pools on sports events were licensed by 77 organizations, according to an article in the Winnipeg *Free Press* on March 27, 1982. Those organizations raised $209,000 on those 77 licensed events. The expenses were a measly $6,133. Would you like to know what the profits were from that pool? Keeping in mind that we are looking at a $100 million business in Manitoba, the profits as listed by the organizers of those 77 events totalled $26,000. If one starts looking at this numbers racket we are talking about today, and one starts taking a look at the money spent and the profits received, one can only feel the greatest sympathy for the organizers of the Olympics in Calgary. Those people deserve better, Mr. Speaker. They deserve that this Government keep its word.

• (2150)

My colleague from Edmonton, Mr. Speaker, mentioned that this Government had been involved in the earlier sports gaming business and had also supported professional sports. Where is the thanks from the National Hockey League? What thanks have the people of Saskatchewan, specifically the people of Saskatoon, received in the last months from the beneficiaries of this Government largesse? The people of Saskatchewan were willing to put up an arena, they bought tickets, they produced some of the best hockey players in the world. They said, "Give us a chance. Give us a franchise. We are willing to pay for it at market value." The answer was, "Oh, no". That is the thanks, Mr. Speaker. I do not trust the word of this Government when it talks about the profits which are going to come from the sports pool. Therefore, the bottom line is not the profits, but whether the federal Government should be in the gaming business, and the answer is still no.

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, I am somewhat reluctant to enter into the debate on this—what is it called, anyway? I think of it as a lottery. I know it is called a sports pool. I also know we have tried to cover up the fact that it is a lottery by naming it something else, a "sports pool", trying to infer that there is an element of skill attached to this. In reality, the sports pool is nothing more or less than a chance for the majority of Canadians to contribute and lose their money so that a few can benefit. It is a lottery. It is a gamble. My upbringing tells me that gambling is anti-social. I was brought up to believe that I do not get something for nothing. My convictions were molded by the type of home environment in which I was raised. My parents taught me simply that gambling was wrong, that there were winners at the expense of losers.

Mr. Rossi: That is why you are a loser; you are a Tory.

An Hon. Member: Get into the debate, then.

An Hon. Member: Oh, keep quiet.

Mr. King: Does that gentleman have the floor, Mr. Speaker, or do I?

I was taught that winners won at the expense of those who lost, that happiness for one was at the cost of disappointment for others, that rewards were ony worthy which were earned, and that work and effort were the instruments through which one achieved both satisfaction and personal advantages. My friend, the Hon. Member for Bow River (Mr. Taylor), told us about what the Scriptures had to say, the basic moral teachings of the Scriptures, from which we as a society are removing ourselves, pushed ever by a Government which seems to be insensitive to any element of morality.

I have the conviction, Mr. Speaker, that the nation and Canadian society would be better for the observance of the basic philosophy that it is work and productivity which is the basis of wealth and happiness, and that nothing comes along which is of value to either us or society that does not cost us anything. I certainly believe that the Government of Canada should fulfill its obligation to Calgary in sharing the cost of the Olympic facilities. The question is simply how to accomplish this. I support the opposition voiced by this side of the House against financing this national obligation through the implementation of a form of national lottery.

Many arguments, substantive in nature, have been raised, and which should, in ordinary circumstances, carry enough weight to reverse the actions proposed by this Government. One of the arguments frequently raised is that this, indeed, becomes a form of tax upon the poor because it is the poor who are the most attracted to the purchase of lottery tickets and

the chance to win $1 million or $100,000, or whatever it is. That has a special appeal for those who can least afford it. Several examples have been given today of instances where it has meant hardship and loss to families caught up on this kind of desire to gain instant wealth and prosperity. It has been pointed out, of course, that those who profit, do so at the expense of others.

I spent most of today travelling across Canada. Thursday night, while travelling home to beautiful British Columbia, I saw a most spectacular sight over the prairie Provinces, a sight which I have never seen before. We were flying just a few hundred feet above a cloud blanket which spread from horizon to horizon when an electrical storm developed. The clouds below were spectacularly lit up by discharges of electricity all across the sky. This went on for most of an hour. Those of us who had our eyes glued to the windows of the plane watching this spectacularly beautiful sight, little knew that below us that storm would bring tragedy and destruction to cities and people. It was only the next day that we read about some of those tragedies, about the lad in Edmonton who was swept away while in the street in front of his home and whose body has not yet been found; about the young woman who drowned in her car which was stalled in the middle of a street in Saskatoon. Therefore, what was so delightful and spectacularly beautiful to some of us who were above the storm evoked just the opposite reaction from those involved on the ground.

• (2200)

I suppose that is a simple demonstration of the principle that has been expounded over on this side of the House, that lotteries are beautiful to some and damaging to others. As such, I think they are incompatible with the spirit of Canada and should not be used by the Government of Canada as a form of taxation for any purpose, no matter how honourable or delightful the purpose.

We live in a unique country. We in Canada have a diversity that is part of our strength and our heritage and leads us to cherish our country beyond any other. There is a diversity in Canada in attitudes, the same as there is in typography. It is important that actions by the national Government of Canada do not abuse or offend large segments of society. This should be avoided if possible. I believe that a lottery for whatever purpose, under legislation provided by the Government of Canada, offends a great many Canadians.

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I did speak on the measure once this evening, but we are now considering a further amendment and I have a few observations in connection with it. First, the Government's claim has been that the Bill must be passed in order to facilitate the holding of the Calgary games. The inference is that without the support of the Bill, the games are in jeopardy. However, I would submit that everyone knows that that is not true. The same serious argument was used by the Government in forcing the Crow Bill through the House. In its argumentation it stated that if the transportation system was to be upgraded, the statutory Crow rate had to go because, through the change that it was proposing, the money would be forthcoming to assist the railway companies in upgrading and providing a better transportation system for Canada. I think everyone knows that that was not true. Everyone was in favour of the upgrading of our transportation system.

We think back to the days when a certain Minister of Transport said that the transportation system was a mess. The same could be said today because we remember the attempts of the railway companies to discourage passenger travel by making it almost impossible to make connections at various out of the way points and by using other techniques as well. We are still facing a situation in which the transportation system is inadequate to fulfill the purpose for which it was originally set in place. However, I would suggest that there are other options open to the transportation system than the method and the route that the Government was following in trying to destroy the statutory freight rates.

We are faced with the same situation again involving a very laudable project namely, the Calgary Olympics. I do not suppose anyone objects to the holding of the Calgary Olympics. I would say that it is a possibility that the greatest percentage of the people of Canada think it is a good idea, even though they may not be sports-minded. They say it is a good idea to encourage our athletes to participate in competition with those from other countries, and they would like to see it go ahead. However, now I say that the Government in implying that unless this particular measure goes through and the sports pool is set up, those games are in jeopardy. However, we all know, in and around this place, that if the Government wants to do something, it gets some money somewhere. If it wants to prop up an ailing industry, and many times some of its own followers can help it out in a tought spot, it can get the money all right. It can go and borrow and does not mind doing it at all. Yet if we are to have the Olympics, it says that we cannot do it that way. It says that we must put in a sports pool and get the money out of those people who are poor and hard up yet desperate to make a dollar in order to better their economic condition and so they will take a chance on buying tickets.

The Government is hypocritical in its attitude, in its proclamations, in its announcements, because it knows very well that there are other avenues that it can tap in order to ensure the holding of the Calgary Olympics. It can do so without forcing the Bill through the House as it is endeavouring to do at the present time.

There has been a question raised as to whether it is a lottery or a sports pool, or just what it is. However, we all know that it is just a gambling device. I would like to draw attention to the following statement. It was the concluding words of the joint Parliamentary Committee on Capital Punishment and Lotteries in the report which was made on July 31, 1956. It concluded with a very interesting statement:

• (2210)

That no useful purpose could be achieved by the institution of state lottery in Canada. It considered that the proper role of the state is to control and regulate such gambling activity as is permitted to private citizens by the general law, and

that it is not appropriate for the state to provide facilities for gambling to the public. The committee includes, in the prohibition of state lotteries in Canada, those which might be operated by provincial and municipal Governments as well as the federal Government.

We see that the joint committee that was studying this particular activity as well as others, came to the conclusion that this was no place for the federal Government to move in and establish a national gambling facility in order to try to finance operations.

This particular amendment with which we are dealing now concerns the activities in the following fields: the arts and culture, fitness and amateur sport, medical health and research, the Winter Olympic games to be held in Calgary, and worthy capital projects of national interest in fields described in other paragraphs.

As we look at this particular matter, the Government is arguing against itself when it says that the Olympics will not take place unless this is set up. However, it has listed the Olympics as number four in its priority projects that could expect funding from this particular facility.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise again this evening with respect to Motion No. 3 which is an attempt to delete a part of this statute that amounts to nothing more than sheer blackmail in the very worst form that could ever be found in the deepest and darkest dens and sin holes of the world. But that is the nature of the Bill.

We have heard the very excellent debate throughout tonight and on earlier days. Interestingly enough, the speeches came only from this Party. Where are the Government backbenchers who privately told us that they do not like the concept of this Bill? They are not speaking because the Cabinet has decreed from on high that this Bill is going through and that those backbenchers should toe the line for they will not get their pay-off or an election will be called and they will lose their seats because the Cabinet has so destroyed the Party and the country. In fact, they would be of great benefit to of all of mankind if they were to bring this Cabinet down and let democracy prevail.

This Bill will never get through because we will stand up again and again. This session will go on for ten more years before this Bill passes.

The points have been made. This Bill makes gambling by the Government legal, yet if I were to go to someone's home to gamble, that would be illegal. The Criminal Code, to which we have all agreed, has said that gaming and betting houses are illegal and not an action which we should encourage in our society. This Bill says in blatant words that if the Government does this, it shall be legal. What kind of an Act is that? As my colleague says, we all know of people who have been charged for running gaming houses. They have gone to jail and paid the penalty, with the entire blight on their career that this has meant. Yet the Government said that it can run these same type of gaming houses and operations legally. That is not how our society works.

We have also heard great argument on the method of raising money. We have heard it said that what this Bill proposes is simply and intrinsically bad and immoral, let alone regressive and that it will impact upon the poor in the country far more than on those of us who are wealthy. This Bill is certainly morally debilitating.

We have heard the argument of Crown corporations. Do we really need another Crown corporation in this country with its president, vice-presidents and directors, all of whom will be paid enormous salaries and all of them appointed by that gang across there? The proof of the pudding is in the eating and Canadians have eaten some rather sour pudding, all at enormous cost.

The point is that we know that these Crown corporations never fail. It is a matter of statistics that if 100 private firms are established, at least 40 per cent or 50 per cent of them will fail just because of bad management or under-capitalization. Not one Crown corporation in 15 years has failed, with the result that we now have over 300 Crown corporations. When one looks at their subsidiary corporations and sub-subsidiaries, they become totally unaccountable to us, the people.

When these Crown corporations face difficulties, the taxpayers of the nation simply have to kick in more money, which means that there is less disposable income in the pockets of ordinary, honest hard-working Canadians. They are the Canadians who are getting black lung disease in our coals mines, the farmers who are losing arms and legs in machinery and others who pay the supreme price in order to survive and look after themselves. Yet the Government is taxing it away and other people are deciding how it will be spent.

Motion No. 3 relates to Clause 18. Clause 18(3) states:

There shall be paid out of the Consolidated Revenue Fund to or for the support of any one or more of

(a) activities in the following fields:

(i) the arts and culture,

(ii) fitness and amateur sport, and

(iii) medical and health research—

The point has to be made that the statute does not set out a set formula for the distribution of these funds. Again, that is wrong because it means that the Cabinet will be able to choose who gets what each year and how much. This simply reflects the system that the Cabinet has tried to implement in a dozen other areas by making people come to the Government to get grants. It says that if people do the right thing and support the Liberal Party, show up in large numbers when the Prime Minister (Mr. Trudeau) and others travel through their towns, they will receive a grant. However, if the other group wants to stand on its own two feet independently, it will not get any Government largesse. That is wrong in principle. Nobody should have that kind of power over any other human being. Yet that is the kind of power that the Liberal Cabinet and Liberal backbenchers permit the Cabinet to have over and over again in our society.

Clause 18(3)(b) states that one of the recipients of the money will be:

—the XV Winter Olympic games to be held at Calgary, Alberta.

This clause proves the point exactly. The Government has gone out to the organizers and officials of those fifteenth Olympics which are not to be held until 1988 and has them upset over the fact that they will not get their money. Does that not just prove the point that the Cabinet will use that leverage and blackmail to get the people to pressure others to do things that are not correct legally, morally or by any other test? Therefore, the Cabinet is in fact capable of blackmail. That is what is happening with this Bill tonight, and I will not vote for it. The Government will simply not get it through.

In fact, the money for the fifteenth Winter Olympics was promised by the Government and it has no right to tie that Calgary Olympic money to a gaming lottery that is illegal for everyone in society except the Government.

An Hon. Member: Are you going to support the amendment or not?

Mr. Thacker: The Government should stand up as an honest and decent Government to say that Calgary will get the Olympic support. We, as Canadians, all pay tax dollars and we are prepared to have that money allocated there.

Mr. Fisher: Will you add to the deficit?

Mr. Thacker: We pay a lot of tax dollars.

Mr. Fisher: Will you add to the deficit?

• (2220)

Mr. Thacker: Every time the Government brings out a program there should be a corresponding tax so the citizens of the nation have a choice. We should have that one provision in our laws and governments that honour it.

If you remember, Mr. Speaker, in 1968 we had balanced budgets. We had a small national debt, yet we had a sound old age security system. We had guaranteed supplements, we had hospital insurance, we had post-secondary education and we had medicare. In 1968, we had all of the social programs and we still had balanced budgets. We had a small national debt. We had that because we had a productive society. Everybody was working and paying in a fair share of the taxes. The money was being redistributed. The only time we got into trouble was by following the Pied Piper. We were led down the garden path. The Government proposed programs and said, "Folks, you can keep your low capitalist tax because we are simply borrowing it." At first, only 5 per cent went to service the debt, then 15 per cent, then 20 per cent, then 25 per cent, and now over 30 per cent of every tax dollar has to service the debt. While the Government was getting us into the problem, we had enormously good programs, low capitalist tax, but the Government was borrowing the difference. Now the taxes are rising to meet the programs. People do not have the cash flow and they are dropping like flies. It is predictable. It is because they were led into a trap. We had the illusion of wealth when we did not have wealth at all. Now we are paying the penalty. Regretfully, because of the actions of that Government, because of those creeps opposite, our children and our grandchildren will have to accept a substantially reduced standard of living.

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I rise to speak on the amendment put forward by the Hon. Member for St. Catharines (Mr. Reid). If this Bill has any meaning at all, I am sure we will hear from the Minister who is now in the House and we will hear from other Members on the Government side as to their feelings on this amendment.

This amendment makes specific within this Bill something which the Minister, his Cabinet colleagues and Members on the Government side have been maintaining since the inception of this Bill. This Bill is specifically, without exception we hear, to promote the fifteenth Winter Olympics to be held in Calgary. We will be pleased to see the Minister and all his colleagues on the Government side voting to support this Bill because they have been telling the people of Calgary and the people of Canada that the only rationale for Bill C-95, the sport pools Bill, is for the Olympic games to be held in Calgary.

By definition the Winter Olympics to be held in Calgary in 1988 are a special event. We have never had Winter Olympics in Canada. If this is a special Bill for a special event, the Winter Olympics, then I can accept it. But we have culture and art in this country on a daily ongoing basis. We have fitness and amateur sport on a daily, yearly, ongoing basis. We have medical health and research on a daily, yearly, ongoing basis. Why are these specifics, medical health and research, fitness and amateur sport, arts and culture, not funded the way other programs are in our country? Why are they not funded with tax dollars? Why is the Government's revenue not used in an ordinary way for things that we have in our country on a daily basis? Why would the Government attach these things that are so important to the daily lives of Canadians to something that is special, a world class event such as the Calgary Olympics?

When the Minister made his proposal to the International Olympic Committee that Calgary would host, with the assistance of the federal Government, the fifteenth Olympiad, I am sure he did not have in place the legislation for a sports pool, I am sure he did not have in place the legislation for the stamps, and I am sure he did not have in place the legislation in place to stamp medals and medallions. What he did say was that the federal Government, in conjunction with the Province of Alberta and the municipality of the City of Calgary, would provide the funds necessary to sponsor and look after the fifteenth Olympiad. It is the same in any small part of Canada, in my riding of Kindersley-Lloydminster, that if a community wishes to go ahead with a project, it would be expected to provide some of the funding. The Province would expect to provide some of the funding. For projects of a larger size, the federal Government would be asked to become involved.

I have not seen any record in any debates in the House of Commons that there had to be a special lottery, a sports pool, made available so the citizens in other communities in Canada could benefit from a facility that would provide daily and

yearly recreation for them after the event had passed. I find it strange, Madam Speaker, that this Government would feel it necessary to fund the Calgary Olympics in a manner different from the way it treats projects in any other part of the country.

But when you look at this paragraph where the amendment applies, it reads:

There shall be paid out of the Consolidated Revenue Fund to or for the support of any one or more of

(*a*) activities in the following fields:

(i) the arts and culture,

(ii) fitness and amateur sport, and

(iii) medical and health research—

(*b*) XV Winter Olympic games to be held at Calgary, Alberta, and

(*c*) worthy capital projects of national interest in the fields described in subparagraphs (*a*)(i) and (ii)—

It does not say anything about medical and health research. Apparently now that is not in the national interest. I do not quite follow that. But the real kicker, and it is underlined in the Bill, is:

—the amounts paid into the Consolidated Revenue Fund pursuant to this section.

It does not say anything about the amount. There is not one word about the amount of money to be available for the Calgary Olympics or any other portion of this Bill. It says that what is paid in shall be paid out. I am sure, Madam Speaker, that the Minister, when he rises in his place to tell us how he feels about this amendment, will support specifically the Calgary Olympics and he will tell us how much money is involved, because I do not see that in the Bill. My colleagues do not see it in the Bill. But we are being told of the whole life and death struggle of the fifteenth Olympics in Calgary and we do not know how much money is going to be made available. We do not know whether it will be all the money that is needed or whether it will be one-third of it. We do not know the proportion. Nor do we know from where the shortfall will come. If the shortfall is to come from taxation, I would suggest, so as to be fair and straightforward to the people of Canada, that the taxation be put in place now, that it be specific so the people organizing the games in Calgary will know how much funding they will receive from this Bill and will not be buying a pig in a poke.

In closing let me say that if a lottery is needed for medical research, for fitness and amateur sport, for culture and for the Olympics in this country, maybe the grain producers in western Canada would like to have a lottery so they would not have to pay additional costs for the transport of their grain under the Crow change coming forth from this Government. Maybe we should have a lottery so that Ottawa, the capital of Canada, can have a decent airport. Maybe we should have a lottery for any number of things. I find it strange, Madam Speaker, that in this Bill, excluding the Calgary Olympics which are a special event, the rest of the projects are daily programs, programs which the people of Canada would be only too pleased to pay for if they felt the funding and the taxation dollars were spent wisely, and that they would not object to it. I will be voting in favour of this amendment and I am sure Members on the Government side, including the Minister, will be voting in favour of this amendment.

• (2230)

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, we are discussing an important Bill this evening, Bill C-95, which is entitled:

An Act to provide for government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act.

That is quite a title. On the first page the short title reads:

This Act may be cited as the Athletic Contests and Events Pools Act.

If Al Capone were alive, I think he would be proud of us this evening. As the Hon. Member for Brampton-Georgetown (Mr. McDermid) indicated, it is the great numbers game. That is precisely what I think it is. Another colleague pointed out that if Al Capone were here, he would have wondered why he had not thought of it.

Instead of being here this evening talking about the passage of a Bill to encourage Canadians to be productive or to give them a tax break or incentive to use the tax system to encourage production, we are here talking about making minimal use of the wealth which has already been created by the hard work of Canadians. I find this very disturbing although it is reflective of the socialist attitude when they see wealth to want to confiscate it and regulate; they do not want to do anything about encouraging its creation.

It has been pointed out that this is a regressive form of taxation. It holds itself out as a form of reward for some kind of chance at something to gain; it is a reward for investing a little money. As has already been very eloquently pointed out by Hon. Members who preceded me, how can anyone not be in favour of supporting arts and culture, fitness and amateur sport or medical and health research? I find it incredible that all these activities are tied up in this Bill.

This Bill will become law because the Government numbers will crush any opposition which we may put up or they will thwart any reasonable amendments on our part. If we are to have lotteries in the country, I think we should look at aiming the money at one specific project. On that basis I am very much in favour of the amendment which would have the money available from this gaming operation or from this numbers game to assist in financing the Calgary Winter Olympics. It would be worthwhile to do that with money, if it is to be raised in this fashion. Given the fact that the Government is intent upon having this crazy scheme in place, it would make much more sense for people to have an idea of where the money would go and how it would be spent.

I see the Parliamentary Secretary to the Minister of Finance (Mr. Fisher) is present this evening. He made some comments earlier about the deficit. No one likes to see deficits. I would be much more enthusiastic about debating a Bill—and I expect the Parliamentary Secretary would agree with me—to encourage Canadians to be more productive. There are two ways of getting out of a deficit. One is by holding down expenses, and the other is by increasing productivity. Too often the Government has done nothing in terms of increasing

productivity; in fact it has discouraged people from being productive. This is the tragedy and the kind of thing which shows up in the very bankrupt policies of the Government.

Also I am concerned about the fact that the Government seems to have no idea about the value of money or what kind of priority it should place upon spending. For example, Canadair lost $1.4 billion in the last fiscal year. It could have been used to erect dome stadiums in 14 cities across the country. A dome stadium with 40,000 seats can be erected for approximately $100,000. This means that for the $1.4 billion which Canadair lost in one year, 14 Canadian cities could have 40,000-seat dome stadiums. When we think about the jobs that that would create and the additional economic activity that would engender, we realize that it would be a tremendous boost.

The Government is asking for additional funds for things which it really believes are legitimate. It makes me wonder where the Government's priorities are or whether it really has any. As has already been indicated, I suspect its priorities are upside down.

I have another area of concern about the Bill, that is, the possibility of abuse of the money raised on behalf of Canadians in this fashion. We have already heard some of the figures this evening. For example, in 1977-78 Loto Canada spent $273,000 on furniture. The next year it spent $402,000 on furniture. Normally when such an operation is set up, some capital expenditures are incurred in the first year and in subsequent years the figure goes down. When we see the way money has been spent in the past, money raised in a similar fashion, we really wonder where some of it goes. This again brings to mind some of the troughing that goes on. People are now accustomed to being at the trough. In my part of the country we say that they are in there with their snouts. I think the Government has set a new record. Not only is it in there with its snout; it is in there with its two front feet.

Again I say that there is no incentive for anyone to spend this money wisely because it is not one's own money that will be spent. We all know that if one is not involved in life and does not risk one's capital, it is very easy to be callous and careless with someone else's money. That is my concern with money raised in this fashion.

There are many areas with which I would like to deal, but ten minutes is a very short period of time. One must wonder whether this is the best way in which to recirculate money in the economy. There is such a thing as the multiplier effect. If the Government sat down to look at its priorities, would it believe that this is the best way to collect taxes and to redistribute them through the economy to get the best multiplier effect? It is simply a form of taxation. It is regressive taxation. It is money being taken away from people who in many cases can least afford it. I am sure it will be redistributed in such a way that it will not provide the best multiplier effect in the economy.

In terms of the odds available for people winning some of these moneys, I have heard figures quoted by mathematicians and physicists which indicate that we have about as much chance winning some of these lotteries as we have of being struck by lightning twice. When people buy these lottery tickets, they are not thinking of those kinds of things. They are told that the money they are donating on behalf of the lottery will be used for arts and culture, fitness and amateur sport and medical and health research. These are the kinds of things which concern me when I think about where we are going and why we need this Bill in front of us in the first place.

There are many other Members who want to speak on this Bill. I could make many more comments, but in closing I urge the Government to look seriously at this amendment so that, if we are to have this kind of Bill or law, it will be limited in the damage it will do to the Canadian economy. It should be directed solely at the Calgary Olympics so that once they are over we will not have to put up with this kind of nonsense any longer.

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, I find myself in a strange position because I will take a slightly different tact in connection with this amendment as well as the entire Bill. I have listened to many of my learned friends give rather brilliant speeches on the subject and, quite frankly, it is not often that I find myself in concurrence with religious elements.

Some Hon. Members: Hear, hear!

Mr. Cook: That was not meant to be funny but it is true. For example, I find absolutely nothing wrong with a bingo game in a church basement. I find nothing wrong with a friendly game of poker with six or seven people who do not play as well as I do. I think I have made other statements dealing with the sport of kings, horse racing, where of course there is a gamble. Gambling by itself does not necessarily have to be sinful, but what we are looking at here is not gambling. We are looking at confiscation and fraudulent activity. We are looking at the national Government of Canada wanting to set up another lottery and being prepared to spend, chances are—it spent $10 million in one year, $13 million in another year—$15 million anyway purely on advertising this lottery to convince the poor sucker out there that he has a chance. It will take his money and return nothing. Let us face it, only about 49 per cent goes to those who buy tickets, even with the best lotteries. Certainly it would raise some money; how much is yet to be determined. Perhaps that native shrewdness that enables the public to survive may finally wise up and realize that with the kind of odds you get in a lottery, it simply does not make sense to buy a ticket.

• (2240)

With the exception of Ontario, the average person in this country spends $30 a year on lotteries. They are two, three or four people in the average family. A couple spends $60 a year on lottery tickets for which they receive absolutely nothing except a dream, a dream that lasts only until the numbers are called. That $60 could be spent in any number of things such as recreation or reading. I am amazed that the motion picture

industry is not complaining bitterly about lotteries. If somebody buys a $10 lottery ticket, obviously that money is not being spent on going to the movies. It in no way contributes anything to the economy.

This Bill is another proliferation of the con game. I do not believe the national Government should be involved in a con game. Obviously Members opposite think that a good con game is a great thing. If it is not a con game to suggest that the Olympics in 1988 require this; that is utterly ridiculous.

A lot of my friends here, particularly westerners, have spoken about the Calgary Olympics. May I remind all Hon. Members that we are not talking about the Calgary Olympics. We are talking about the world Olympics being held in Canada. Those Olympics belong as much to Quebec, Ontario, the Maritimes as to British Columbia, Alberta and the rest of the country.

If the national Government is not prepared to spend money to make them a success, it should be thoroughly ashamed of itself. It is using this blackmail to get another lottery scheme in place when we already have eight or nine in the country. These lotteries drain off millions and millions every year right across the country. It is a totally useless activity. One in 800,000 wins. There are 799,999, including the smaller lotteries, who lose.

The only advantage I can see in buying a lottery ticket is the dream of having a million dollars, until they draw the numbers. That is all you get. On a moral basis, is it proper to give someone that kind of dream? I always believed in the right of the individual to make a damm fool of himself if he wanted to. However, standing here as a Member of the House of Commons, a Member of this august assembly, I am not so sure I have the right to feel that way when a con game of this nature is perpetrated upon society by a Government.

I only wish that Members sitting on the Government benches would hear what is being said by any number of Members on this side. They do not listen. They have not listened to anything. They have not heard anyone over here or any of our reasons.

If they were adjudicating on the debate, if they had to sit down and determine where the truth lies, who is right and who is wrong, who has presented the better reasons on this Bill and the various amendments, they would have to come to the conclusion that in this case—it is not always true, but mostly true—the Government has to be wrong in foisting this con game on the Canadian people. There are far too many of these lotteries.

There are two or three quotations which express better than I can some of my feelings in connection with this legislation. I quote:

> The present acceptance of lotteries seems to arise out of political expedience. Governments, under pressure to fund undertakings beyond the traditional expectations of the fiscal system, have resorted to the lottery instead of tax reform, and have found ready to hand a gambling medium, publicly attractive for its accessibility, simplicity and large stakes. Governments have, moreover, been able to pour millions of dollars into seductive advertising which creates the illusion of a "normal" activity in which winning is also interpreted as "normal". This attitude on the part of Government is particularly destructive when Canadians should be challenged to give for their country rather than get for themselves.

Professor D. McCormack Smyth of York University stated:

> Liberal democratic government has been based on a number of central ideas. One is that governments must respect human beings. Governments must not exploit human weaknesses. Through their promotion of lotteries governments are appealing to one of the lowest human qualities—that of greed. For one individual to win a million dollar lottery ticket, 199,999 other individuals must lose $5.

I am on the side of 199,999 rather than the one who takes the prize. In January, 1983, the Baptist Federation of Canada, the Council of Christian Reform Churches in Canada, the Salvation Army and the United Church of Canada stated in a brief:

> We see gambling as that which divides rather than unites; as destructive to genuine philanthropy; as harmful to persons, communities and nations; as pandering to the debilitating desire to get something for nothing.

It is those kinds of words that I would hope those opposite could hear, believe and understand. This Bill will not do any good for our country. This Bill will bring disrespect to every Member in the House of Commons who votes for it when he or she returns home to face his voters. Again I quote:

> The lotteries in Canada, with all the power of governments behind them, have already become a source of contention between Ottawa and the Provinces. They present a new and powerful form of political patronage and potential for corrupting abuses. They raise expectations among community organizations, where perhaps none should exist, with respect to assistance from the public purse. They lull politicians and the public away from the task of analysis, the setting of priorities, and the making of commitments, which are indispensable for the ordering of social life.

We have seen in this Government a tendency, a disease or a stumbling into scandal after scandal, a massive mismanagement of the economy. Canadair is one example. There are many others. Now this legislation is being proposed. If there is anything true about gambling dollars, it is easy come, easy go. The easy come from the lottery means there is a lot more money to play with, a lot more money to spend foolishly, a lot more money to spend on patronage, and a lot more money to use to the detriment of the Canadian people. For God's sake, gentleman, reconsider.

Mr. Walter McLean (Waterloo): Madam Speaker, in entering the debate this evening on Motion No. 3, I do so with the shared conviction that the beneficiary structure of the present legislation is too large and too vague. If the sports pool earns $30 million to $40 million a year, it is certainly not clear how much of that money will be divided between the Calgary Olympics, fitness and amateur sport, health and medical research, art and culture and added to that, worthy capital projects.

In the moments available to me, I want to focus some attention on groups which have been named and whose expectations have been raised with the introduction of Bill C-95. How are these groups to plan on funding when there is no clear indication of what percentage is to go to each group and when in the future and under what formula they can anticipate receiving them?

Surely the distribution pattern of the money should be determined before the money is collected, not after, unless it is

another illustration on the part of the Government and the Minister that there is no real perception of the importance of the voluntary sector of Canada and that it is a tool which the Minister can use. When the Minister piloting this legislation through the House was Secretary of State, he styled himself the Minister advocate for the voluntary sector. It is interesting to note that feedback from the voluntary sector indicated to its constituents across the country that the Minister had no awareness of its import to Canadian society. In this Bill, the Minister proposes a control mechanism of that sector rather than somehow allowing that sector to move in a way that his predecessor was prepared to do when calling together Consultation 81, which drew the national voluntary agencies together by saying: "We will entertain tax proposals that will give you freedom to do the things that you do best."

• (2250)

When we begin to look at the dimensions of this particular Bill, Madam Speaker, it would be wise for the Minister to leave the House, because at this particular point there is a constituency that looks at this and says: "There is nothing in this except more Government control of our initiative." Does that particular Government which wishes to cover the waterfront really believe that the 40,000 registered charities that took in $5.6 billion, according to the Ross Report recently tabled by the Secretary of State (Mr. Joyal), are somehow of so little significance that they can be played off one against the other?

For a moment, Madam Speaker, let us have the Government and its supporters opposite tell the voluntary sector why it is that instead of putting in place a tax mechanism and reviewing the Department of Revenue control mechanism for that sector, they turn their backs on the Secretary of State's proposal for a task force on voluntarism. Why is it that they will not open this up for public discussion? Instead, they say: "Give us a mechanism that will make more money and then we will give out a series of grants by which we can control an entire sector."

My colleagues have already referred to the component of patronage within this whole area, but it is not just patronage that gives me concern. My concern has to do fundamentally with an attitude. Canadians are becoming aware not only in the private sector where we have seen through FIRA, the National Energy Program and a variety of other measures the whole control mechanism, that as well in the voluntary sector there is the same question of control or trust. Will we trust the private sector to generate wealth? Will the Government trust the voluntary sector to let fitness and amateur sport bloom on its own? Will it deal with the caring health voluntary agencies? Will it give them some incentive to do their own thing? Will it deal with the caring religious community and give it the same incentive as it does the political community? When there are worthy capital projects that come before the public, will it in some way give some incentive to that group?

Here we have legislation which colleagues on this side have been calling regressive. They have been calling it regressive legislation and regressive taxation. In a sense the budget that was brought down by the Minister of Finance (Mr. Lalonde) was supposed to have put out a signal of incentive. We now have the Government turning around, with the former Minister who advocated the voluntary sector putting through the House legislation which provides the reverse of any incentive to the voluntary sector. This is yet another control mechanism. Canadians should be quite clear in knowing that we have a Government which says it will control that sector along with other sectors. It will not trust Canadians or put mechanisms in place that will allow them to do the things they want to do.

How many Canadians are we talking about? What about this sector which the Government, is by and large, prepared to ignore? The sector's wage benefit bill in 1980 was $1.7 billion which which would compensate approximately 173,000 workers, 23 per cent of those part-time. This represents 1.6 per cent of all employed workers in Canada. When looking at the sector which is being ignored and which the Government is, in a sense, prepared to penalize once again, we should note that there are three million Canadians who volunteer an estimated 373 million hours which, if compensated on an average wage for the service sector, would be worth more than $2 billion. We are not dealing with some esoteric interest group that is on the fringe of Canadian society.

The Government, the Minister of Finance, the Secretary of State and the Minister of National Revenue (Mr. Bussières) have had before them for nearly a decade proposals made by the national voluntary agencies which would have replaced the $100 standard deduction for medical expenses and charitable donations with a 50 per cent tax credit such as political parties now receive. This sector, had it had some incentives, could have gone on to build on its proven cost-effectiveness in job creation.

The YMCA of Canada has completed a study which shows that there is a 3:1 ratio in skills training and retraining. Here we are at a time when there is a need for training in Canada, a time for economic renewal, and we have a sector which has proven its capacity to do this. What do we do? We have a Government which brings in legislation which is yet another disincentive. When the budget was to come in, the Secretary of State said that there would be a proposal for a task force to look at taxation and charitable revenue regulations, but the whole matter was ignored. What we have seen is the removal of the $100 tax deduction, which is nothing more than a $80 million tax grab. If we need $80 million for the Calgary Olympics, why not take the $80 million that has just been saved at the expense of the voluntary sector and use that for the Calgary Olympics instead of moving into this sector?

Some Hon. Members: Hear, hear!

Mr. McLean: Madam Speaker, I would like to say that the voluntary sector is under attack. Its revenue capacity is down 35 per cent, due to the inability of Canadians to support it because of unemployment and rising inflation. The Government refuses the give and take tax proposals, refuses to review charitable donations, refuses to set up an all-departmental mechanism to bring departments together, and then has the

final effrontery to bring in a Bill that pretends to somehow support that sector. In case anybody is in doubt, Madam Speaker, I shall not be voting for this legislation.

Hon. Sinclair Stevens (York-Peel): If I may, Madam Speaker, I would like to enter this debate, particularly in respect to Motion No. 3 proposed by my colleague, the Hon. Member for St. Catharines (Mr. Reid).

One thing that must be made very clear when considering the suggestion to have something specific with respect to the city of Calgary is that the Government really has no business getting into the field it is proposing to get into. It has been pointed out that the Government is suggesting the Canadian public should enter into a terribly unfair gamble. For example, it has been estimated that in respect to the Wintario lottery in Ontario, there is one chance in 1,400,000 of winning one of the five prizes of $100,000. The reason I point that out, as the Minister of Communications (Mr. Fox) has indicated, is that this is not a partisan matter, it is simply a question of the federal Government being honest with the Canadian public.

The truth is that lotteries return a mere 38 per cent to 40 per cent of the total moneys that are paid mainly by the poor of the country. Conventional betting games offer far more appealing odds if one is looking for a gamble. For example, roulette on average returns about 95 per cent of the bettor's money. Horse racing returns about 82 per cent, black jack 94 per cent and a game of dice 83 per cent to 97 per cent. One of the worst gambles you can ask anyone to go into is the type of lottery that the Government proposes. We must ask why the Government would want to be so unfair, especially with the poor of the country. Clearly it is doing this at the behest of its advertising agency friends. It is a massive pay-off because the people who make the biggest money out of this type of promotion are the advertising agencies.

Madam Speaker: I am sorry to interrupt the Hon. Member.

Mr. Stevens: May I call it eleven o'clock, Madam Speaker?

• (2300)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

HUMAN RIGHTS—INTERNMENT OF JAPANESE-CANADIANS—PAYMENT OF COMPENSATION. (B) FORM OF COMPENSATION

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, the injustices done to Canadians of Japanese ancestry in Canada in 1942 in the evacuation, internment and confiscation of property, it need hardly be argued today, ought never to have happened. There was never any military reason for this kind of action and no pressure from the military authorities. Nor did the Civil Service ask for the evacuation. The Civil Service was certainly more knowledgeable than the politicians of the day. Nor did the RCMP who conducted investigations ask for it. No acts of sabotage were carried out, there was no espionage and no evidence that any was planned.

Japanese-Canadians even volunteered for military service and some actually served. Ken Adachi's book is truly titled "The Enemy That never Was". The pressure, unfortunately, was political. There was an appeal by unscrupulous politicians to racial hatred and fear on the part of white British Columbians. It is part of long-standing prejudices and was seen in the period before the war in the denial of full citizenship rights to orientals throughout the 1930s, especially the right to vote.

There never was any need for the evacuation and that it was motivated by prejudice can readily be seen in the treatment of Japanese Canadians after the war. For purposes of immigration Germans were put on the same basis as other Europeans in 1950, while in 1952 the Japanese were still treated as enemy aliens. The enfranchisement of Japanese Canadians occurred only in 1948. Wartime controls on Canadians of Japanese origin were kept on until 1949 so Canadians of Japanese origin were required to carry a permit from the RCMP to visit B.C. Some went to jail for not having a permit. Interned people were not allowed back to B.C. for years, and even later were not allowed to have their fishing permits back.

A scandal erupted on the issue of deportation of people who had requested repatriation to Japan. It was later found that the requests were often never understood. Some were coerced and wives and dependents were included in the deportation. Fortunately, deportation orders were eventually abandoned. As late as April 1947 a CCF motion in the House of Commons was defeated 105 to 31 to remove all restrictions on Japanese Canadians. Only four Liberals and two Conservatives voted with the CCF.

This might be the time to pay tribute to my predecessors in the CCF for their courageous work in fighting against prejudice and for fair treatment. There was Angus MacInnis, J. S. Woodsworth and Andrew Brewin of Greenwood who was prominent in the compensation issue and the fight against deportation after the war.

The Minister of Justice (Mr. MacGuigan) has made reference to the Royal Commission on Compensation for Japanese Canadians. I should like to note that the compensation provided was only partial. More than 22,000 people were uprooted and moved across Canada, yet there were only 1,434 claims. Estimates are that people received only one-third of the value of their loss. Claims were made for more than $7 million but only $2.5 million was paid. Some claimants received as little as $50. It was not possible for many people, upon their return, to take up the life they had left behind. They could not buy back their houses and boats or the property they had been forced to sell. The compensation did not take into account inflation, loss of wages, salaries or profits let alone the suffering and humiliation.

The Royal Commission exonerated the custodians office which is to say that it did the job it was told to do. What a job that was. There has been no apology, no remorse, no recognition of the injustice which was done. I note also that the Canadian judicial system failed utterly to redress the wrongs.

• (2305)

In the United States, Japanese Americans were able to get some relief. It was inadequate, but there was some relief. In Canada, these people had no rights once the War Measures Act was declared. Legal action in Canada was confined to the period after the War Measures Act and, indeed, well after the War. Interestingly, it was the last appeal to the Privy Council in the United Kingdom on certain deportation orders which ended that history of appeal. I am sorry to say that the Privy Council failed rather miserably. It did not even allow the modest exception which our timid Supreme Court of Canada would have. This happened to be the first case which was decided in the new Supreme Court of Canada Buildings. It was certainly not a good beginning for that Court.

Since World War II, Japanese Canadians have become an integral part of Canadian society. Many have played a very special role as the conscience of Canada in the peace movement. We cannot forget, and, indeed, I believe it is relevant to the discussion before us now on the treatment of Japanese Canadians here in Canada that it was on Japan that the first two atomic bombs were exploded. I regret to say it was the same Mackenzie King who authorized the internment of Japanese Canadians in 1942, who also said it was fortunate that the bombs were used on the Japanese rather than on the white races of Europe.

Concrete proposals have been made for $50 million to be given to a foundation which would in turn make particular reparation and otherwise use the money for the promotion of racial harmony and human rights. Good projects have been proposed and this seems to be an eminently reasonable approach. Certainly, the Minister of Justice should continue consultations with appropriate organizations and individuals and come back to Parliament with a firm proposal. One requirement for the building of a better society is to admit frankly the mistakes of the past and seek to redress the harm done. Justice must be done to Canadians of Japanese ancestry and it is the responsibility of the Minister of Justice to take the next step.

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice): Madam Speaker, there is no question that one of the more striking episodes in our history is that of the treatment of Japanese-Canadians during the Second World War. During that war, Japanese-Canadians were detained in transfer centres and internment camps pursuant to regulations made under the War Measures Act, and their property was seized and their loyalty to Canada was questioned. In Canada, compensation for property losses suffered by about 1,300 persons was paid in 1950, in the amount of approximately $1.2 million, following an examination of the claims of Japanese-Canadians by a Commission headed by Mr. Justice Bird between 1947 and 1950. The procedures for submitting claims were widely publicized at the time and the awards of compensation were made after careful examination of the legal and factual basis of each case.

As the Minister indicated in his answer before this House on June 9, 1983, this matter is indeed under consideration by the Government at this time. This is a complex matter. Claims other than those based on infringement of property rights would be particularly complicated, both factually and legally, and especially having regard to the considerable passage of time. The fact that the events took place so long ago makes it difficult to identify them, quantify them and redress them in a manner which balances all the legal and equitable interests at stake. There are no simple solutions to the claims of those interned during the war.

Japanese-Canadians will be holding a conference in the fall during which they will discuss their position with respect to these issues. The Government will be very interested in learning of the proposals presented at this conference, as the wish of Japanese-Canadians regarding the events of the war must necessarily be an important factor in determining what form of reparative action might be appropriate in the circumstances.

SUPPLY AND SERVICES—PERCENTAGE OF PROCUREMENT FROM MANITOBA SUPPLIERS. (B) REQUEST THAT MANITOBA ORDERS BE INCREASED

Hon. Jake Epp (Provencher): Madam Speaker, on June 16, as recorded at page 26438 of *Hansard*, I asked a question of the Minister of Supply and Services (Mr. Blais) relative to the procurement policy of that Department. That Department had issued figures as to the amount of goods and services it had purchased from various Provinces of Canada.

• (2310)

For some period of time it has been the stated policy of the Government that the procurement of goods and services should be more equitably distributed across the country, a goal which the Government has stated and one which has been accepted by Members of the House. The Government stands condemned by its own figures. Its released figures would show that of contracts worth approximately $5 billion, the following purchase percentages apply: for Atlantic Canada, 7 per cent, for the two Provinces of Ontario and Quebec, 77 per cent and for the West, 15 per cent. Specifically for the Province of Manitoba, which was the focus of my question, the Government's own figures show that only 3.7 per cent of total procurement contracts by the Department of Supply and Services have been issued for suppliers and business people in the Province. The Government gives lip service to a procurement policy which is to be equitable and fairly distributed to all Provinces and to all regions, but its own figures would indicate that those are words only.

In defence, the Government states, "Those are past figures. The next figures will be better". How many times have we heard that the next figures will be better, that we are doing

better and that all we should do is to be patient? Manitobans, for too long, have been too patient with the Government.

It is surely incumbent on the Government to give clear indications of procurement policy whereby there will be a better, more fair and equitable distribution for moneys spent. It should be kept in mind that the moneys spent are taxpayers moneys. The Government has received those moneys, to be used wisely and properly, from all sectors of the country and from every citizen. Therefore, the Government should be very careful to encourage, through its purchasing program, fairness in distribution.

Another factor that must be kept in mind is that the Government will state that it does not have the distributors at certain points. Very often one of the reasons distributors are not available is because of the Government's procurement policy to begin with. Through centralisation, too often businesses which could have been established in other regions of the country have not received the same consideration as those in central Canada. It is hard for me to understand, as a person coming from the Prairies, that in Atlantic Canada where we have matters relating to the offshore, the coastline, search and rescue and the Armed Forces only 7 per cent of the total purchases of the Department of Supply and Services would come from that region.

Mr. Crosby: That figures.

Mr. Epp: I am saying that as one who does not come from that region. It just simply boggles my mind to think that there are no more than 7 per cent of entrepreneurs in Atlantic Canada who could have supplied those goods and services for the Government of Canada. Nor am I saying for a minute that the Government would go to those regions for purposes of regionalism only and that competitiveness should not apply. I have no doubt in my mind that those people, given an opportunity, would be as competitive as those in any other part of Canada. The same applies in the West.

The Minister of Supply and Services said that on the Prairies, specifically in Winnipeg, we have been involved in the aeronautical industry. I pointed out to him CAE. CAE has closed down. If that is an example of success, we can do without that success.

• (2315)

I am saying to the Parliamentary Secretary not to promise us better figures but to show us; show us by a very clear pattern how those figures will be changed in order that our business people in the regions will have the same consideration for competitive contracts as those in the two central Provinces. We are asking for tangible results, not promises or hope. Give us some tangible results. The Government has had enough time.

We hear much about regional disparity. We hear much about divisiveness in the country. Surely this would be one very straightforward means by which we could put action to the sentiments expressed by a Government that surely should have national policies in mind rather than regional considerations.

Mr. Jim Schroder (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, it is a plesure to rise in response to the Hon. Member's question on federal Government purchases in the Province of Manitoba. It is, of course, too early in the year to give an accurate estimate of purchases that will be made in this current fiscal year in Manitoba.

The figure of 3.7 per cent referred to by the questioner reflects the current figure of 1,247 contract documents issued in Manitoba for the first two months of this financial year by both our regional and headquarters offices, for a total dollar value of $13.3 million. Last year some 13,000 documents were issued for a total value of $151 million. On that scale these first few months auger well for the future of contracting in Manitoba. In fact, the amount of regional purchases in the Province of Manitoba has increased by 15 per cent per year over the past three fiscal years. In actual dollars, the total of contracts issued regionally in Manitoba has climbed from $34.2 million in 1980-81 to $47.3 million in 1982-83.

I am also pleased to say that there are contracts before Treasury Board at this moment that will be of significant benefit to Manitoba in the aerospace field. On this subject there will be further significant sums going to the Manitoba aerospace industry as part of the CF-18 offset program. The growth of our regional purchases in Manitoba is further confirmed by our recent opening of an extra sub-office in Shilo, reflecting DSS activity in Manitoba.

We are, as the Hon. Member may know, decentralized inasmuch as we operate a network of supply centres across the country. These centres are there to respond to the needs of the federal Government departments that are located in those regions. The number of contracts issued in any particular region depends, therefore, to a large degree on the program requirements of our customers in those areas.

In order to spread the economic advantages of federal procurement to as many of these regions as possible, we also arrange for regional purchasing of the majority of the goods and services that are requisitioned at headquarters here in Ottawa where this is practical in terms of achieving the best value for every dollar spent.

It follows therefore that in terms of percentages of contracts issued across the country, one must take into consideration the industrial base of the Provinces concerned. Obviously, a broad, highly industrialized economic base would naturally succeed in competing for and winning a higher percentage of contracts than one whose base is mainly agricultural. We can, after all, only expect contracts to be let to those companies that win them in open competition.

The Hon. Member must acknowledge that in this free enterprise country, open competition is the only way we can ensure fair and equal treatment to all potential suppliers. The fact that at any particular period one province may be more

successful than another is based on its ability to compete at that time.

This nation has experienced the trauma of recession. It is now on the upturn and our collective economic future is brighter today than it has been for years. Simply witness the report of Statistics Canada that shows, our inflation rate to be 5.5 per cent, the lowest it has been in ten years. Over the past year, however, we have seen a cutback in Government spending resulting in a percentage drop in this spending to most Provinces across Canada.

Madam Speaker: I am sorry to interrupt the Hon. Member but his time has expired.

• (2320)

THE ADMINISTRATION—USE OF EXECUTIVE AIRCRAFT BY MINISTERS. (B) STATUS OF PASSENGERS ON FLIGHT TO ANTIGUA

Mr. Howard Crosby (Halifax West): Madam Speaker, my purpose tonight is to review and consider the questions I raised on June 6 and June 7, 1983, concerning the use of the Government's executive jets by the Minister of State for International Trade (Mr. Regan). Let me quickly explain that that Minister who represents the constituency of Halifax has also held in the past the portfolios of Secretary of State, a Minister of Labour and was also the Cabinet Member in charge of Fitness and Amateur Sport. I do not want to create any confusion with the various titles. We are talking about the Hon. Member for Halifax (Mr. Regan). Let me begin by stating categorically that I recognize a legitimate need for air services to Members of the Cabinet and other Government officials under proper circumstances. The Government for that very purpose keeps a fleet of planes, three JetStars and other aircraft in order to provide these kinds of necessary special services.

What I want to stress and underline tonight is that there is a limit and a point at which there is not legitimate use of these aircraft, and I think everybody now agrees that the Minister of State for International Trade has gone beyond that limit. He has taken unto himself the right to use these aircraft in a manner which most people would not find proper.

What in specific terms the Minister has done, just to give two examples, is, first, he took a jet aircraft to Vancouver for a meeting and stopped on his return at Denver, Colorado, to attend a World Cup ski meet. On another occasion the Minister took a jet and went to Antigua, stopping in West Palm Beach, Florida, to pick up in-laws, Mr. and Mrs. Golightly. I am not going to stress these points because they are a matter of public record reported across the country and most people have condemned this activity. It is not only my view, and I want to emphasize that. I am not here to wreak a vendetta on my colleague from Nova Scotia, the Minister of State for International Trade. We share streets within the City of Halifax, Dutch Village Road and Main Avenue. I am here on behalf of the people of Nova Scotia and indeed the people of Canada to point out that we cannot accept this kind of behaviour. We are not alone. There is condemnation from the *The Mail-Star* in Halifax to the Vancouver newspapers. All are agreed that the Minister has overstepped the bounds of proper practice and proper procedure. Let me quote some of the things that have been written, Madam Speaker. On June 3, 1983, the Calgary *Herald* wrote:

> International Trade Minister Gerald Regan has clearly abused the privileges of his office and interpreted the guidelines for use of Government jets in a manner which insults the public purse.

That is not me writing as the Hon. Member from Halifax West. That is the Editor writing for the Calgary *Herald*. Then we read in the Vancouver *Sun*, which was carried from coast to coast:

> Federal Transport Minister Jean-Luc Pepin would have done better not to have said anything at all than be drawn into a defence of his high-flying colleague, International Trade Minister Gerald Regan.

Then we come to the Toronto *Star*, a paper not unknown for sympathy toward the Liberal Party, which wrote:

> International Trade Minister Gerald Regan once had this observation about the federal government's seven-passenger Lockheed JetStar executive aircraft: "Not as comfortable as flying first class on Air Canada, but better than economy.

Papers are unanimous right across the country in the condemnation of this activity by the Minister of State for International Trade. This condemnation not only extends to the use of the JetStars because we find an article in the Toronto *Sun* for June 3, 1983, which points out the looseness in the administration of expense accounts. There are also articles in *The Globe and Mail* that one can read which state that Cabinet expense accounts lack detail. Their articles refer specifically to the expense account of the Hon. Minister of State for International Trade, particularly on the very trip to Antigua.

In this connection I ask Hon. Members to take a look at *The Globe and Mail* for May 31, 1983. What I am here to complain about and what I indicated in my questions is that something has to be done about this activity. We just cannot sit here and accept this as the standard behaviour. We have to move, Madam Speaker. My suggestion is that the Government move immediately to establish proper rules governing the use of executive aircraft by Cabinet Ministers. The Minister of Transport (Mr. Pepin) has said in this House, and it is repeated in an article which appeared on June 3, 1983, in *The Chronicle Herald*, that the Minister of State for International Trade must justify his use of the flights. The standard is your own personal code of conduct. We have found out that that is not good enough. We have to have an objective code of conduct. We have to have it legislated. The Government has to say what Ministers are allowed to do and what they are not allowed to do. It is not good enough to have these executive flight operational rules promulgated by the Deputy Minister of Transport which indicates the circumstances under which Government jets can be used. We cannot have this inane flying over the country, taking one's family hither and yon, stopping in London to let off one's wife and going on to Calgary, costing taxpayers thousands of dollars. We have to impose a standard on ourselves, on Cabinet and on everyone who feeds at the public trough. Everyone who benefits from the public purse has to observe the same standard, and that standard has to be

an objective one, one which requires accountability. We cannot go on simply doing what we want to do and taking our chances. These are public funds we are using and for which we are responsible. We must have a code of conduct.

• (2325)

I want to end by quoting an article which appeared in the *Edmonton Journal*. It gave some advice to the trade Minister; it said, "Take the train." The article indicated that the CBC released some documents showing that the Minister of State for International Trade took members of his family with him on 15 official trips, and it pointed out the pressing need for strict enforcement of federal restrictions on Government travel. It ended up telling the Minister, "Take the train; we do not trust you with our airplanes any more".

It is obvious the Minister of State for International Trade has abused his privileges and now must be held accountable, notwithstanding his defence or his saying that there was room on the aircraft and that he could take his family because it was not costing anybody anything. That is not good enough. I do not think anyone in Government fails to recognize that that is not good enough. We must have an objective test. My purpose is to appeal to the Government, to the Ministry and to those responsible for the public Treasury to come up with a code of conduct and rules governing the use of executive aircraft and to impose them upon every Member of Cabinet, every Member of the House.

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): Madam Speaker, the Hon. Member had several specific questions about the use of executive aircraft and made reference to the Minister of State for International Trade (Mr. Regan).

First, I think it is unfortunate the Hon. Member is dwelling on the travel of an individual Minister, especially a Minister who has done so much to promote Canadian exports around the world. If the Hon. Member really has concerns about the use of executive aircraft, he can pursue them without reflecting on an individual who happens to be promoting Canadian interests abroad.

The guidelines governing the use of executive aircraft provide for aircraft to be booked in the names of Ministers of the Crown. It is left to their discretion who will accompany them. This is not unreasonable in the Government's view. Once a Minister has established the need for the aircraft for the conduct of Government business, as he must under the guidelines, the marginal cost of filling one or more otherwise empty seats is minimal. Therefore, it is possible for a Minister to be accompanied by officials of his Department, members of his family, members of the press or, as sometimes happens, members of other Parties.

It is interesting that the Hon. Member did not complain in his remarks tonight about his Conservative colleagues who take their spouses and children on DND flights from Shearwater to Ottawa and back. Also it is interesting he did not mention whether he takes his family or part of his family on such DND flights. If he does, the Government has no objection since we see our families so little.

It is very unfortunate the Hon. Member would take off on the Minister in this way rather than seek information on what are the guidelines of the Department of Transport. The guidelines are there. They are very clear. Manifests are kept. This is something about which the Hon. Member asked on June 7. The most important thing in the manifest is to obtain the individual's name. An attempt is also made to obtain the individual's affiliation, such as whether the traveller is a Member of Parliament, a public servant or a guest, but this information is supplementary. If there was an error on a particular manifest, about which the Hon. Member also complained on June 7, I can assure him that there was no intention to mislead him or anyone else. Naturally efforts will be made to be as accurate as possible, remembering the main purpose of the manifests.

Mr. Crosby: Where is Regan?

Mr. Flis: The Hon. Member asks where the Minister of State for International Trade is. He had to leave just before 11 o'clock to fly to Vancouver. I did not ask what flight he took. The Minister is sufficiently knowledgeable to be able to decide whether to take an MOT flight or a commercial flight.

[*Translation*]

Madam Speaker: Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 11 o'clock.

At 11.31 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, June 28, 1983

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*Translation*]

CANADIAN AVIATION SAFETY BOARD ACT

MEASURE TO ESTABLISH

Hon. Jean-Luc Pepin (Minister of Transport) moved:

That Bill C-163, entitled "An Act to establish the Canadian Aviation Safety Board and to amend certain Acts in consequence thereof", be read the second time and referred to the Standing Committee on Transport.

He said: Mr. Speaker, all Members of this House will agree, I am sure, without my having to demonstrate it, that air transportation safety is important. By approving Bill C-163 on the establishment of the Canadian Aviation Safety Board, Parliament will have taken a long step toward achieving the goal of safe aviation. Obviously we are not the first to involve ourselves in this area. Some Hon. Members will remember perhaps that in 1972-73 the government asked Brigadier-General McLearn to prepare a report on methods used to investigate transportation accidents in general. This report served as the basis for other consultations, which led in 1979 to the introduction of Bill C-40, the Transportation Accident Investigation Act. I would like to point out that at that time the proposed legislation covered three modes of transportation and not just aviation as this Bill does. Bill C-40 having died on the *Order Paper*, and public opinion having become alerted to certain alarming situations in the aviation sector, the following government, and more specifically the Hon. Member for Vegreville (Mr. Mazankowski), the then Minister of Transport, set up the so-called Dubin Commission to look into aviation safety. The main recommendation of Volume I of the Dubin Report, which was tabled in May, 1981, was precisely that a Canadian Aviation Safety Board be set up.

I would like to say a brief word on existing aviation safety measures. The current system was drawn up under the provisions of the Aeronautics Act of 1927. It provides for the establishment of safety standards and of measures making it possible to guarantee and ascertain compliance with these standards.

For many years now successive Ministers of Transport have been concerned about the worth and the effectiveness of this system. The Dubin enquiry attracted the attention of the public to the system's deficiencies, a certain number of which will be corrected by Bill C-163. The reform of the Aeronautics Act, which I expect to present in the fall, will correct other deficiencies. And some of them can be dealt with, and in effect are being so dealt with at present, by simple administrative and budgetary measures.

One element in the existing system has attracted special attention, and that is accident investigations. But I must point out that this is obviously only one of the elements in a much broader system. At the present time, when an accident occurs, an investigation is carried out by the Aviation Safety Bureau, which as you know comes under Transport Canada's Air Administration. It is however also responsible for setting standards, for drawing up the regulations that affect safety in the aviation sector. There is thus a risk of conflict of interest between these two responsibilities, which have hitherto been exercised by the same people.

Mr. Justice Dubin recommended, and I quote:

—the establishment of a tribunal unconnected with any federal department.

And that is just what Bill C-163 provides for: the creation of an aviation safety board independent of Transport Canada, so that the functions related to regulation and those related to investigation will be disassociated from each other.

Once Bill C-163 has been passed and implemented, and the new Aeronautics Act as well, as I hope it will be this fall, I believe that Canada will be endowed with a first-class aviation safety system.

• (1115)

[*English*]

This is only the first of two pieces. The next instalment, if I can call it that, will come in the fall when I am sure we will all be here. In the second "tranche" of this reform there will be important material, for example, the appeals tribunal hearing appeals against the decisions of the Minister, the fines he could impose, or the taking away of licences.

The Bill was drafted so as to set out clearly the Board's objective, jurisdiction, and power. It includes provisions aimed at ensuring that the Board co-ordinates its activities with those of other parties such as the RCMP and coroners who have related mandates. The objective of the CASB is to advance aviation safety, and I emphasize this. It is not to assign guilt; it is not to pass judicial judgment on who has done it right or who has done it wrong. It is just to advance air safety.

The principal activities of the Board will be as defined in the Bill; first, to identify safety deficiencies as evidenced by aviation accidents and incidents, or by situations or conditions which, if left unattended, could induce accidents or incidents; second, to conduct independent investigations and, if necessary, public inquiries by itself or by other individuals, into aviation occurrences—and the word "occurrences" is the generic word which encompasses accidents, incidents, and situational conditions or hazards—in order to make findings as to their contributing factors and causes; third, to report publicly on its investigations and inquiries and to make general recommendations. These are the three objectives of the Board to be created.

Structurally the CASB will consist of three members, one of whom must be a full-time member appointed by the Governor in Council, as usual, for a term not exceeding seven years for full-time members and five years for part-time members. The Board will be required to report annually to Parliament, to ensure its independence, through a responsible Minister who will be designated by the Governor in Council. Presumably in the committee this afternoon there will be some generous views expressed on this as to who should be the Minister responsible for the Board. There are arguments on all sides.

• (1120)

Under its mandate set out in Clause 12 of the Bill, the Board will be able to investigate, as I already said, any accident, incident or situation associated with the operation of aircraft.

You will have noticed, Mr. Speaker, that the Board's mandate is restricted to aviational occurrences. It is a unimodal board and consequently excludes occurrences in the other transportation modes, rail, road or water. There is no dispute that conflict of interest between regulators and investigators can equally be alleged to occur with respect to the other modes as recognized by a former Bill, C-40, and brilliantly by the Private Members' Bills introduced by the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) in past years. However, a unimodal board can be established more quickly—I am being very practical—and it is easier for the investigation of air occurrences than for those in the marine and rail modes, partly because of the proselytizing work done by Justice Dubin and others.

We also know that different procedures and practices have been developed in each mode. There is not the same degree of dissatisfaction in the other modes, rail and marine, as on the air side. Consequently, there is more urgency, I suggest, to do it now on the air side than on the other modes. Attempts to move to uniform procedures for consistency could meet with resistance at the present time.

Mr. Justice Dubin has recommended the establishment of a unimodal air board. I do not know if he meant first, but that was his recommendation. Let me emphasize that the establishment of the CASB in no way precludes the future establishment of a multimodal board, or unimodal boards, with jurisdiction in the other transportation modes. To that effect, the experience with the CASB will be a valuable guide.

You will also notice, Mr. Speaker, that I am not being theoretical in this matter. I am being purely practical. Work is now being done in the other modes, on the marine side for example. This is an exercise that will last some time, although not too long, and in due course this exercise will come to a conclusion as to the other modes.

Let me enumerate some of the powers and duties of the Board. Investigators will be given a wide array of powers, including the right to enter, inspect, and seize. The powers are limited, however, to those necessary to enable the investigator to obtain all the information required to carry out the purposes of the Act. In keeping with the Charter of Rights and Freedoms, appropriate safeguards have been laid down, including the requirement for the investigator to obtain a search warrant before entering a private dwelling.

The Board will be required to prepare a report on its findings in every investigation and that report will, whenever possible, include general recommendations, as I said before, on its findings. All reports will be made available to the public.

The Board will be required to give other parties opportunities for comment during and after the preparation of reports. For example, before a report is issued, parties with a direct interest must be provided with a draft of that report to comment on. The Board will also be required to provide its report to any Minister whose area of responsibility is affected by the recommendation. That Minister will, in turn, be required to reply in writing within 90 days as to his intentions regarding the implementation of the recommendations. As the Minister's reply must also be made available to the public, the entire sequence of events, including the Government's response, can be examined by the public.

• (1125)

I would like to stress the fact that all of these things were recommended by Dubin. In some cases we have partially amended the recommendations, but never have we gone against what Dubin had recommended.

What about privileged information? The Board in its investigation will obtain evidence of various sorts. For some of those documents there is a good reason to claim privilege from disclosure. The reason is to encourage the evidence to be made available by persons involved. Again the purpose of the inquiry would be to advance aviation safety, not to assign guilt.

Let me give you three examples of this, Mr. Speaker. First, the Board might receive in evidence a cockpit voice recording. Under the terms of this Bill, that document will be privileged and the Board will be prevented from releasing it to anyone or producing it in any proceedings other than as specifically set out in the Bill. There are some provisions in the Bill for cockpit voice recordings to be made available to other parties.

Second, the use of air traffic control recordings obtained by the Board will be prohibited, but only for use against air crew and controllers in criminal or disciplinary proceedings. In

other words, there are different degrees of privilege ranging from a degree that is nearly absolute in principle to one that is quite limited. Every situation is described in the Bill so as to avoid misunderstanding.

The third type of document is witnesses' statements, and those will not be allowed to be used against a witness in any legal or other proceeding except civil or perjury proceedings. All of this is defined in some detail in the Bill because the subject is obviously a very difficult one, and a ticklish one as well.

The privilege provisions in the Bill have been developed as a set of compromises after long consideration of the arguments on both sides, the individual and the public interest. I believe that they strike the balance required to provide adequate protection to ensure that evidence is forthcoming while, at the same time, respecting the general principle in favour of public disclosure and the over-all policy thrust of the Access to Information Act.

Again, I stress the fact that nothing in the Bill contradicts the Dubin Report. Some of the provisions go further than recommended, but nothing contradicts the recommendations of the distinguished Justice who gave his name to the report on air safety.

What about incident reporting? In 1981 a study of a comprehensive aviation incident reporting system was undertaken. That was after the Dubin Report. As a result of that study the Bill includes a Clause to enable the Board to set up mandatory and/or voluntary incident reporting systems. There is room for justification of a mandatory system for some big commercial transportation systems, and a voluntary system for smaller carriers, smaller planes, individual pilots et cetera. In the first case the situation is more or less institutionalized. There is a pattern of reporting. In the second, we want to entice people to come forward so it is done on a voluntary basis. All of this is debatable and those who prepared the Bill again attempted to do a balancing act, which is the only "Act" Parliament has never passed, but obviously is the most important of them all.

[*Translation*]

The Bill contains clauses obliging the Board to co-operate, as far as possible, with other federal and provincial government bodies such as provincial police forces and coroners. These clauses are there because of concerns expressed by the provincial Attorneys General in the course of discussions surrounding Bill C-40 in 1979. For example, Bill C-163 contains a special provision guaranteeing peace officers and coroners access to the information they need to carry out their own investigations, and requiring that if necessary the Board shall communicate its preliminary conclusions to the coroners.

The preparation for Bill C-163 began a long time ago. The government had the advantage of expert advice in all fields, and particularly from the conclusions of the Dubin Report as well as the many presentations that were made within the framework of the Dubin Commission enquiry. I believe that we took full advantage of all the advice we received and that its high quality is reflected in that of the Bill we have before us at the present time. It only remains for me to express the hope that my fellow Members will consider that the Bill deserves their support. I would especially like to thank for their co-operation the Hon. Members for Prince Edward-Hastings (Mr. Ellis), Dartmouth-Halifax East (Mr. Forrestall) and Comox-Powell River (Mr. Skelly), who are, I believe, going to speak on the Bill. I want to thank them for their co-operation because it is thanks to them that the House will be able to pass this Bill fairly rapidly this morning, on second reading.

• (1130)

[*English*]

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, Bill C-163, an Act to establish the Canadian Aviation Safety Board, has finally made it to the floor of the House of Commons and frankly, Mr. Speaker, it is damn near time.

Before I deal with the substance of the Bill I intend to take a few moments to deal with the timing of this very important piece of legislation. It is intriguing that in introducing the Bill—and I have not discussed what was to be said—the cadence of the Minister's remarks ties in with mine so that I can discuss them as I speak.

The July issue of the Canadian version of the *Reader's Digest* has as its lead story and article entitled "Air Safety—The Shocking Record". In that article of five pages, condensed in the manner of *Reader's Digest*, are a number of statements guaranteed to give the millions of readers, and especially those who are regular fliers, a very real fear of flying in general, and of flying in Canada in particular. The article speaks of an accident in Vancouver Harbour in which 11 people were killed, stating that the investigation was confused and delayed. The last sentence of the paragraph is, "Still no preventive action was taken".

The article goes on to discuss the actions of Mr. Justice Dubin, stating:

> He encountered a shocking record of neglect and cover-up in the Canadian Air Transport Administration, the very agency charged with air safety.

After a series of sensational statements such as this, the article concludes by saying that the Parliament of Canada must act in this matter.

The Parliament of Canada has been prepared to act for a long time, Mr. Speaker. The Minister mentioned the Aeronautics Act which will be put before us for changes in the fall. Recently, that Act has been universally condemned by many aviation authorities. The amendments are very necessary. I hope the second part of this dual set of legislation will not be so hard to get started through the House.

The Bill we are discussing today was ready in late 1982. The Transport Committee, through its Chairman, the Hon. Member for Northumberland-Miramichi (Mr. Dionne), and others, is more than willing and has been more than willing to deal with the matter on a priority basis.

The time and effort put into the whole matter do not warrant the delay we have experienced over the past seven months. At the Dubin Commission there were 116 hearings, 350 witnesses gave testimony, there were 26,000 pages of oral testimony, and 30,000 pages of exhibits and other evidence.

Given the accidents of an extremely serious nature in air transportation over the last few weeks, this may be one of the more important pieces of legislation that Parliament will deal with in this session. The Minister called it a giant step. I think any nomenclature of that nature we could give to the Bill could not over estimate or over state the importance of the matter. Yet for the last seven months the Liberal House Leader has refused to bring the Bill before Parliament. Now, in the dying days, we are told that only two hours will be allowed for debate in the House. It must go through committee today and be reported back to the House tomorrow without debate. Is it any wonder that Opposition Parties balk at the heavy-handed, inconsiderate, partisan, and highly political way in which legislation is dealt with by the Government?

The aviation community wanted this Bill dealt with earlier. It did not want the ministerial advisory committee with members of the Canadian Air Transport administration on it taking the slower steps that were taken to hold the legislation up before it got to the House. In an unprecedented show of unanimity ten aviation associations told the Minister of Transport to implement Volume I of the CASB when it was released in May, 1981. Those bodies were the Air Transport Association of Canada, the Canadian Air Line Pilots Association, the Canadian Air Traffic Controllers Association, the Canadia Air Line Flight Attendants Association, the Canadian Air Line Dispatchers Association, International Association of Machinists and Aerospace Workers, the Canadian Owners and Pilots Association, the Royal Canadian Flying Clubs Association, L'Association des Gens de l'Air du Québec, and the Aircraft Operations Group.

There will necessarily be a number of bodies such as these which will want to speak on the Bill in committee. I am delighted to report that these associations, given the very short notice, have made a real effort, either to attend this afternoon on the assumption that, as we have agreed, we will put the Bill through the House this morning—they have agreed to attend, or have already submitted very interesting comments on the Bill.

Let me deal for a moment with the background of the Bill, Mr. Speaker. It is the result of the continuation of the Progressive Conservative Party's 1979 election campaign promise and its implementation by the former Minister of Transport, the Hon. Member for Vegreville (Mr. Mazankowski). He probably contributed more to the competent government of Canada in that short time than any Minister of the Crown. He certainly accomplished more in the Department of Transport, prorated, than any Minister before or since. He was able to convince the Cabinet of the Right Hon. Member for Yellowhead (Mr. Clark) to appoint Mr. Justice Charles Dubin to a commission of Inquiry on aviation safety.

While he took definitive action and from that action came this legislation, he was not alone in recognizing the need. The Minister spelled out in some detail those who had looked at this matter before and indicated the need for this type of legislation. There were discussion papers from the Air Transport Association of Canada in 1977, and the Bill that the Minister mentioned, Bill C-40, which was not passed by the House.

I have to mention, as did the Minister, my colleague, the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), who has long advocated a multi-mode safety board. I know he is particularly concerned with this Bill and I trust that he will speak on it. Like myself he is happy that we finally have a piece of legislation.

The question that obviously arises is whether we must wait for a Royal commission of inquiry on each subject, or a major catastrophe in each mode of transportation, before we finally get a similar body for marine and surface transportation.

• (1140)

The first report of the commission of inquiry headed by Mr. Justice Dubin, was tabled in May, 1981. The 63 recommendations in Volume 1 of that report dealt with the establishment of an independent Canadian Aviation Safety Board. A year later, in March, 1982, a leading editorial in the Toronto *Globe and Mail* dealt with the matter, and I quote from that editorial:

> It is all the more necessary to create, as Justice Dubin recommends, an independent body, the Canadian Aviation Safety Board, to investigate aircraft accidents and safety practices.

Finally, Mr. Speaker, two years later, the legislation is being dealt with in this House. It is indeed a sorry record of this Government. In fairness here, I must point out that the fault lies very heavily on the Government House Leader, since I know that the present Minister of Transport (Mr. Pepin) tried repeatedly to have this matter brought forward in the past seven months. Indeed, he showed the courtesy to the members of the Standing Committee on Transport to apprise us of the steps he had taken, and to keep us posted along the way on what was happening.

Let me briefly deal with the substance of the Bill, Mr. Speaker. The Board will have jurisdiction over any aviation accident or incident within Canada. I define the word "incident" roughly as a situation which could or may have led to an accident. In addition the Board will have the right to cooperate with other jurisdictions where Canadian aircraft are involved in accidents or incidents outside Canada, and with the Department of National Defence in Canada. The Board will have the right to conduct public inquiries for the purpose of finding the causes and making recommendations, but, as the Minister said, not to apportion blame.

The Board will have the right to enter, inspect, seize and protect, and all of those things which the Minister mentioned, as part of its ability to carry on a proper investigation. I am a little upset that we have no idea of what the regulations will be. Obviously, much of what will happen will be carried out

within the regulations. I fully agree that the members of the Board should be given the full opportunity to participate in the formulation of those regulations. However, I would have like to have seen some draft outlines of regulations, because there are a few matters in the Bill which are not as clear as I feel they should be.

In my opinion, and I am sure in the opinion of a number of my collegues, it would have been a much better piece of legislation in this instance had the Government followed more closely the recommendations of Mr. Justice Dubin. For example, the recommendations of Mr. Justice Dubin specifically included that certain present functions of the Department of Transport be transferred to the Canadian Aviation Safety Board, including the Aviation Safety Bureau, the Aviation Safety Engineering Division, the Aviation Safety Analysis Division, and the Aviation Safety Promotion Division, none of which are explicit in the Bill. When Canadians read articles such as that which I quoted a few moments ago from the *Reader's Digest*, I am sure that they would want to expect an independent body to have charge of these functions, given the lack of care taken by the Canadian Air Transport Administration in the past.

I am delighted to see the Minister nodding his head as though, in a sense, there is a good rapport between the Minister and myself. Perhaps that will happen. If it does, I would be delighted.

In order to avoid any conflict of interest, the Dubin Report recommended that a Minister, other than the Minister of Transport, be responsible in the House of Commons for the new safety board. Once again, that Minister is not named in the Bill. The Bill also states that the Board shall send a draft report of accidents or incidents to that Minister on a confidential basis. While I can certainly appreciate the need for confidentiality with regard to cockpit tapes and other pieces of information which may, in fact, he vital to any subsequent criminal or civil trial, nonetheless, there was never any specific recommendation of confidentiality in the Dubin Report, and I doubt that there is quite the need for confidentiality as is outlined in the Bill. It will be very interesting to see exactly how this is dealt with in the regulations. I appreciated the remarks of the Minister a few moments ago when he spelled out in his three examples the possibility of making available certain information in certain instances. However, we will have to see how that works.

I fully understand, Mr. Speaker, that for a Board as important and as new as this one, there will necessarily be a breaking-in period during which the Board will have to proceed very carefully and cautiously, because, obviously it will be breaking new ground in the area of the administration of air safety. It does, however, Mr. Speaker, follow the Government's penchant for secrecy. It is interesting, in light of the freedom of information legislation which is with us right now, that some of these matters are included in this Bill.

An editorial in the *Winnipeg Free Press* a little over a week ago stated:

There is no reason why it has taken ten years for appropriate legislation to be acted upon in Parliament. The number of accidents in which the present investigator, the Ministry of Transport, was itself involved in its dual role of regulator of the aviation industry, has been growing at a rate which demands prompt action to create an independent board.

This, Mr. Speaker, is just one of many examples of the growing cry within the community for the Board with which we are asked to deal today. The editorial went on to say that the Bill, having been introduced as it was about two weeks ago, left only two weeks in the spring session of Parliament, and again quoting the editorial, "There is some suspicion that the Bill has surfaced not so much on its own merits but as a matter so desired by responsible Members that they may be willing to ease up on the more controversial legislation."

I can tell the House, Mr. Speaker, and the Minister knows this, that the Bill has surfaced because the Hon. Member for Dartmouth-Halifax East, the Hon. Member for Comox-Powell River (Mr. Skelly), myself, and others have been hammering at the Minister. In fairness to him, he has been trying for lo these past few months to get this Bill before the House. It is an important piece of legislation and we all recognize the necessity for it. It is only because of the major importance of this piece of legislation that those Hon. Members I have mentioned, and myself, are bending the regulations and the rules in order to deal with it as expeditiously as we are.

I have already in my possession, as I said earlier, recommendations and suggestions from those air associations which I have mentioned. Their comments must, of necessity, be given a major priority and, indeed, this afternoon we will deal with them at some length. I am purposely making my comments brief, Mr. Speaker. I know others want to get involved in this debate. Everyone involved in air safety is bending over backwards to accommodate this particular piece of legislation.

A committee meeting is tentatively called for this afternoon on the assumption that the Bill will pass. The witnesses who wish to come before the committee are in place, again assuming that the Bill will pass. We are prepared, all of us, to deal with it expeditiously. There will not be major changes made in the Bill, if any. Frankly, we do not like the idea of having this Bill pushed on us in this second or third last day of the sittings of the House of Commons before the summer recess. However, as the Minister has said, it is a giant step. It is a most important piece of legislation and, because of that, we are going to deal with it as expeditiously as possible. The tragedy, Mr. Speaker, is that we are having to go about it in this manner when it has been sitting idle for the last seven months.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I am speaking today with some very mixed feelings about the particular legislation before us and the way in which it is being handled. I would like to comment particularly on some of the remarks made by the previous speaker.

• (1150)

I returned from my constituency late last night to find this Bill was in fact up for debate today. I was absolutely astounded this morning to come into the House and find it to be the

intention of the Government to push the Bill through committee, report stage, and final reading tomorrow. Let me say at the outset that I have no part in this and I totally disagree with this approach, and I will elaborate why.

One of the comments that Mr. Justice Dubin made as a result of his investigation concerned interference by the Ministry of Transport in the activities of the air safety investigation group. One of the primary thrusts of this Bill is to separate those two groups. Therefore, the public is in no way in jeopardy if we continue this process through to the fall and the investigation units are allowed to conduct their competent thorough investigations and report them in a fair and open manner. If that happens, serious accidents, which happen from time to time in aviation, can be investigated and the important points brought to light. But I would like to re-emphasize that the public would be in no further jeopardy if we maintain this same procedure until the fall. The Bill should go through second reading today, be referred to committee, and then all parties who presented material to the Dubin inquiry should have an opportunity to comment on this Bill.

It is not correct to say, Mr. Speaker, that the people who were so instrumental in bringing out critical information before the Dubin Commission have had a chance to peruse this Bill. I am speaking today without having had an opportunity of perusing the Bill in the way I would have liked, to compare it with Mr. Justice Dubin's recommendations, work through some of the details, and have a chance to think about them. Concerning the groups that have been contacted to appear in committee, some have attempted to put together a brief quickly, but certainly I suspect they have not had any greater opportunity to think about the Bill. I am pleased that someone managed to produce for me briefs from two organizations which will attempt to appear tonight. I have had telephone conversations with other organizations which have spent thousands of dollars and put in thousands of hours in an attempt to enhance air safety in Canada.

One group were approached and asked if they would like to appear, but the notice was too short for them to be able to prepare anything suitable for the committee, so they will not be attending the committee meeting. They have had no opportunity to examine the legislation in the kind of detail they feel is necessary. They have itemized two serious problems they want to have more time to look at before they come forward. Their final comment is that this is too serious a matter to stuff through in an afternoon.

My research assistant is in the lobby this afternoon trying to run through a group of organizations to get their response to the jamming through of this Bill.

As I said, Mr. Speaker, it was my understanding that this legislation would pass through second reading, and I would like to see that happen. We could then move to committee with an opportunity to talk about the Bill, and talk to the Minister about possible changes or further clarification of questions we have. Then we could use the summer to solicit input from organizations responsible for making the Dubin Commission the successful inquiry it was. We could give them a fair chance to examine the Bill, something this whole country would benefit from because of their expertise. But unfortunately that is not being done. I think the Government is just being totally and completely irresponsible in doing this. It is more concerned about the House Leader's scorecard than aviation safety.

It might be interesting, Mr. Speaker, to examine this material in the context of the Government's proposal for changes to the Aeronautics Act. I appeal to the Minister to release the draft of those changes as soon as possible so that people can have a reasonable opportunity to comment on and look at this particular legislation in conjunction with those changes.

The Dubin Commission has to be one of the most successful Commissions ever undertaken in Canada. First, it was not this Government which appointed the Commission. It was in fact the Opposition when they were in Government. I think that had a nice touch to it in that it was slightly more open and comprehensive than it might otherwise have been. But that is only speculation. However, many people were very impressed with the product. It might be useful to consider having a variety of input into the appointment of such commissions in order to round out the various points of view.

Another interesting thing I found in going through the Commission's material is that many employee groups were involved. It was the unions, organized labour, and the Government's own employees who came forward with information. There were attempts by the Government to stop them from testifying before the Commission. But they made a very great contribution, and I would go so far as to say that had they not made that contribution we would not have had the report before us today.

There were senior officials within the air transport administration who attempted to rewrite accident reports or have accident investigators modify their reports. That was a major reason for the lack of confidence in the procedures; it was not the air accident investigators, it was the senior officials. On page 25 of the Commission's report there is reference to a memo to a regional controller which says, "You are to fully consider the possibility of embarrassment to the Minister and any other potential political implications which may result from suspensions". This is absolutely astounding.

Mr. Pepin: You have given it a special meaning.

Mr. Skelly: What I am suggesting, Mr. Speaker, is not to point the finger of criticism, because we have to recognize that there are changes being made. But given the fact that some of the soundest recommendations in Mr. Dubin's report came about because of the commitment of hundreds if not thousands of hours of time by the Government's own employees, perhaps there is some room in this legislation for a permanent advisory body made up of selected individuals representing employee groups. The Minister might consider that in order to facilitate their input.

Another thing to note, Mr. Speaker, is that probably some of the worst examples of labour relations in Government are

those between the air administration employees and its management. Hopefully restructuring of that organization will result in better employee relations and a better opportunity for employees to have meaningful consultation with management on matters which affect air safety and that of transportation in general. Those relations must be improved, and there is really no visible public indication at this point in time that that kind of improvement is under way.

• (1200)

It is critically important that along with this legislation air transport administration, employee relations and the mechanisms for providing advisory input be strengthened and improved. I would just use an example of one area of which the Minister and many others are aware. It stems from the Cranbrook crash which has been discussed at length by government and involves a litany of errors. I think that maybe even Mr. Justice Dubin erred in recommending that positive control of vehicles on the runway be given to flight radio operators. These people are dealing with vehicles on runways at remote airports. They could be hundreds of miles away. They are also faced with controlling vehicles in areas where they cannot see the runway. Individuals have come forward and reported errors and in some places disciplinary action has been taken. They have asked for provisions in their contract that would protect them, and if the tapes are searched and errors found, that they be used for improving operational standards rather than disciplinary action. At some point in the day, I think the Minister should comment on these peripheral matters that are important to air safety.

Just before I conclude I would like to comment on some of the other occurrences in general aviation that disturb me. I wonder if this is not part of the mechanism by which the Government is trying to improve air safety, and that is by driving people out of aviation. I am very concerned about the move that I see toward dramatically increasing costs and restrictions on flying which I do not think will particularly increase safety. It is incumbent upon the Government to show where its proposals will increase safety.

I recently had an opportunity to peruse a document released by a senior official of the Department of Transport which listed a number of recommendations about restraining private and general aviation. The rationale for so doing was the Dubin Report. In all honesty, some of the recommendations were solid but in other areas they were not. The additional restrictions and constraints would simply result in driving up the cost of aviation and driving people out of the business.

I would like to give some recent examples. Parking fees have become absolutely astronomical. The Government argues that it is doing a cost recovery program, but it drove virtually every private aircraft out of the Port Hardy airport. They have all moved away and people have sold off their aircraft and have ceased becoming involved in flying any more. What revenue there was has been lost. My thought is that maybe it is simply reducing the number of people flying and therefore the potential for accidents is being removed.

There is also a monopoly involving fuel costs at airports. It is time there was an inquiry into how ordinary 80-octane and 100-octane gas for airplanes, which is virtually the equivalent to regular unleaded gas at the service station, can cost in excess of 60 cents a litre. It is just ridiculous. Maybe we should be considering the manner in which those concessions are granted and those prices arrived at airports, because it is driving people out of aviation. It will certainly reduce the number of accidents if people do not or cannot fly.

Radio licensing, a complete aggravation, has increased 100 per cent with absolutely no rationale for so doing.

Mr. Fulton: Was it the six and five?

Mr. Skelly: No, the six and five is a matter with which we can deal later.

Mr. Pepin: That's before six and five.

Mr. Skelly: Concerning occupational training, there are many people who are still interested in becoming pilots, air crew and whatnot. However, the cost of occupational training is astronomical. To obtain a private licence costs in the order of $3,500. God knows what a full 200 hours of flying time to obtain a commercial licence is worth. If one wants 40 more hours for an instrument rating or one wants to obtain an ATR or senior commercial licence, it is beyond the reach of most people, yet the Government moved not too long ago to restrict the claiming of a deduction on income tax. It is quite prepared to put up student loans and facilitate, to whatever degree, other training programs, but it does not provide a reasonable opportunity for the people who want to pursue a career in aviation. The expense is beyond belief and simple assistance with income tax to bona fide individuals pursuing that field would be useful.

Mr. Pepin: Some of those fees have not been increased for 30 years.

Mr. Skelly: Some of those fees have not been increased for 30 years, the Minister says, but there have been dramatic increases. If there is any doubt about it, I would be more than pleased to show him concrete examples of where the increases in fees have driven people out of aviation, and these increases are simply not justified.

I would simply be very cautious to ensure that there is a great deal of consultation about the way in which restrictions are placed on the flying public, because I am certain that it is not the intention of the Government to drive people out of aviation. There is an argument for cost recovery. There is an argument for restrictions on certain kinds of activities. However, this must be carefully considered because people are being driven out today in, I would say, record numbers.

Mr. Pepin: The total cost recovery is 5 per cent to 10 per cent.

Mr. Skelly: I hope the Minister has a chance to respond just before the Bill goes through. There have been some very

serious aviation accidents. Maybe we in the House are a little bit guilty of blowing them out of proportion at times. It is unfortunate that we must do that in order to catch attention and gain a freer flow of information on matters that concern us and the people we represent.

It still strikes me that the most dangerous part of flying, as the old adage says, is driving to the airport. Per passenger mile, we should probably be spending much money and effort on highway safety, or at least the equivalent, where costs for damage, death and injury are astronomical. Nevertheless, air safety is vitally important. More and more people fly. The Bill before us today is a start in the right direction. It is extremely unfortunate that the Government has chosen to move in this manner and that it is intending to push the Bill through all stages today without allowing consultation with other affected groups which would provide very valuable input.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, when I first raised, in this Chamber, the question of separating the departmental regulatory responsibilities from those of its investigative arm back in 1967, some 16 years ago, I thought that perhaps the wisdom of simply removing any potential reason to believe conflict of interest might arise or could arise would in fact occur to Government and to Members of Parliament and that very shortly we might resolve the matter. But by 1968 or 1969, nothing had happened. By 1970, nothing had happened.

Therefore I took it upon myself to consult with the transportation industry in Canada. Without exception, as the Minister is aware, everyone agreed that there should be our a priori independent commission to consider transportation occurrences. I remind the House of interprovincial transport of gas and oil, the possibility of moving grain by pipelines, all the way through to the operations of ferries in our country, air transport, trucking—the whole range of transport that falls under or is touched upon one way or another by federal regulation. It still needs the attention of this Chamber. Thirteen years is too long to achieve one-third of the required independence that will not only aid transportation so it is seen to be safe but to in fact be safe. The surface mode and marine mode remain to be dealt with.

• (1210)

I accept the work of Justice Dubin because it was necessary. His report was very much to the point and told Canadians of the horror story in flying. While pilots occasionally tell us that flying involves hours of boredom, the beginning of these flights hold moments of terror and there are always moments of terror at their end. The same is quite true for passengers except they are not quite as aware of the terror. That same terror still exists in the minds of people who travel on our trains, highways and ferries and in those who work on our ships.

If it has taken us 13 years or longer to achieve an independent commission with respect to air travel, I must ask if we must wait another 13 years for marine transport and then another 13 years for similar commissions with respect to surface transport. The Minister is correct that this new body will provide a good learning experience for us in this country. However, we have had 13 years to learn. Indeed we have had 100 years to learn about transportation.

As far as removing any question of conflict of interest is concerned, we should be taking action today on the three primary modes of transportation in this country. I accept the fact that this legislation represents a first step. I am pleased to join with my colleague for Prince Edward-Hastings (Mr. Ellis) and my friend for Comox-Powell River (Mr. Skelly) in welcoming what I hope is just the first step. As I have suggested, if we must wait another 13 years for a similar piece of legislation dealing with marine safety, then what will become of the lessons that we will learn from Mr. Justice Hickman's inquiry into the *Ocean Ranger* disaster currently taking place in Newfoundland? Will we have to wait another ten years after his report before we determine that there is a need for independence of investigation in that area of transportation as it relates to safety, minimum requirements, construction, operation, repair and inspection?

We know what Judge Hugessen said in his report on the shipboard fire which occurred Christmas Eve, 1981. We know the contents of another judge's report with respect to the accident involving dangerous gases which occurred in urban Toronto approximately four years ago. Why has action not been taken on these recommendations? I am sure the Minister is aware of this concern because he has acknowledged the urgency to take action.

There are many questions to be asked. The Hon. Member for Comox-Powell River has related some areas with which he is concerned. He has stated his concern that members of the general aviation community in this country will not have an opportunity to deal with the issues in detail. I share that concern and I am also concerned about how the Board will be able to fulfil its mandate within the parameters of this Act within a completely independent milieu. I am not satisfied that it will happen.

Notwithstanding that, this Bill does represent a giant step toward safety in Canadian skies and I therefore must welcome this legislation. I hope that it will provide the experience to form the basis of similar pieces of legislation dealing with maritime and surface transportation matters. To do anything less on our part would be irresponsible.

Justice Dubin, in recommending this step, did not preclude and indeed suggested that similar legislation respecting the other two modes of transportation might very well produce the same type of thrust. My concern is that I do not want to wait another 12 years and another 12 years after that for similar legislation. I do not see any reason why we cannot establish an a priori independent body which would have that first responsibility in all areas.

When dealing with this legislation this afternoon, I hope we will have an opportunity to deal with it clause by clause so that I may ask questions that concern me. I was concerned about certain questions when I drafted a multimodal bill very similar to this legislation in the 1960s. I am sure those questions will

be answered in some depth today and I hope the Minister will be with us in committee this afternoon. Will he?

Mr. Pepin: There will be good people answering your question.

Mr. Forrestall: We certainly want you and your experts as well. I think we will be able to clear up a number of questions about which we are concerned.

I do not see the need to delay this matter any longer because certain institutional groups in the general aviation community will not have a full opportunity to appear before us to make their views known. This does not concern me because I know that the institutional aviation groups in this country in general, from our major domestic carriers to the manufacturing and operational side, have been concerned about this matter for some time. There are very few measures in this Bill of which specific interested groups in the aviation community have not been made aware, have not helped develop or have not been consulted in their development. After consultation with the Provinces, I am satisfied that the intent of the Bill with respect to jurisdiction is acceptable to them.

I do have some concern about other investigative processes. For example, the Bill does not embrace the military. This could cause difficulty because if one area is excluded there may be a tendency to exclude other areas. I believe this should have been a priority. But this matter can be pursued in committee and experience may prove that the Bill is either correct or incorrect in the exclusivity.

It is important that we have taken the first step and I hope it will lead to increased awareness of aviation safety. I also hope this is a workable Bill which will form the basis for similar legislation in the near future which will cover marine and service transport matters. I suggest to the Minister that if he does not make a start quickly, as soon as we have a by-election in Central Nova and other events take place, whoever is the next Minister of Transport in this country will not live in peace until the legislation is in place.

• (1220)

In closing, may I just congratulate the Minister and his officials for having lost two of the children but having saved one. Again, I regret the delay, as other Member have and as I am sure the Minister has. I will not attach blame to that; suffice it to say that the Bill is now in front of us and pray God that this legislation will be the basis for enhanced general aviation safety and control in this country.

Mr. Skelly: Mr. Speaker, I want to clarify one aspect. I know the previous speaker has been very involved in this particular topic. He had a chance to draft the Bill which he had put forward in a multimodal approach. It was an excellent proposition and it is unfortunate that it has not been brought forward.

However, there is one aspect to his remarks on which I would like a little elaboration. I am referring to the suggestion that we should go ahead quickly with the Bill. This Bill will be approved in principle in a few minutes. It will then go to committee. Essentially, it will be well on its way to being passed. Two and a half months is a very short time in which to have an examination or to have input from people who work continuously in this field.

Let me just give an example of where one of the problems arose. The Canadian Airline Flight Attendants Association is involved on a day to day basis with safety in aircraft. This group was invited to examine the Bill, but unfortunately the Ministry, because of its excellent relations with that organization, sent it to the person who was the president three years ago. The Association saw the Bill just yesterday for the first time. As the group's comments would indicate, it is not very pleased with that kind of liaison and consultation. Most of the organizations that we have contacted, and we are going to use the phones right now to find out where they are, are also not pleased that they have not had an opportunity to comment.

Since it appears that we will, in fact, pass the Bill, it having been approved in principle, would the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) not concede that it would be advantageous to slow down for a few moments to allow those people who put so much time and energy into the Dubin Report an opportunity to peruse and put together something for our consideration which may help us to fine tune this Bill?

Mr. Forrestall: Mr. Speaker, with all defence to a distinguished assistant of the Minister of Transport (Mr. Pepin), that is a hell of a faux pas. I was not aware of that and it is a matter of regret. I am not suggesting it would not be useful or helpful to the committee, to Parliamentarians, the Minister and to Government itself to have had the benefit of these briefs. What I was suggesting was that there are, to the best of my knowledge, no institutional groups within this air transport community that have not been fully and widely consulted and have not had the opportunity to make far reaching and very fair contributions.

This matter has not been under way for two or three months; it has been under way for ten or 15 years. The Standing Committee on Transport is seized now with the Crow Bill. We have outstanding matters of relative importance to the proper conduct of committee work with respect to Air Canada. We have a number of issues already. To refer the report to the Standing Committee on Transport, and to wait another six to eight months before it is dealt with and is sent back into this Chamber, in my judgment would be somewhat irresponsible. I think we should get on with it.

The Acting Speaker (Mr. Corbin): Are there any other questions or comments? Debate?

Some Hon. Members: Question.

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

Some Hon. Members: Question.

S.O. 21

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Transport.

Mr. Lewis: Mr. Speaker, I rise on a point of order. I believe the next item of business is Bill C-95. In view of the fact that we have dealt with this Bill so expeditiously and sent it to committee, would the House be disposed to call it one o'clock, since the Hon. Member for York-Peel (Mr. Stevens), has the floor? He is not here at the moment and I know he wants to continue his remarks.

Mr. Smith: Yes, Mr. Speaker, being eminently reasonable on this side we think that is an acceptable suggestion and agree to it.

The Acting Speaker (Mr. Corbin): There being unanimous agreement, this House stands adjourned until two o'clock this afternoon.

At 12:26 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

NATIONAL UNITY

ALLEGED DECLARATION BY PREMIER RENÉ LÉVESQUE IN FRANCE

Mr. Carlo Rossi (Bourassa): Madam Speaker, I am rising in the House today to protest against a statement made yesterday in France by René Lévesque, to the effect that the next referendum in Quebec will be won by the Separatists, because according to Mr. Lévesque, 100,000 senior citizens will no longer be there to speak out against separatism. His comments are a sad reflection on the extremist mentality of Mr. Lévesque and his feelings of vindictiveness vis-à-vis senior citizens. He is practically wishing a speedy demise on the senior citizens who built Quebec and defended its traditions and language well before the Separatists or Lévesque himself. It shows a lack of tact, of judgment, of charity and of gratitude to those who deserve our gratitude, love and respect. Madam Speaker, these words spoken by the Premier of Quebec reflect a morally and socially cynical outlook and the attitude that the end justifies the means. Today, I am ashamed of the Premier of Quebec, and I am therefore speaking out on behalf of millions of Quebecers who respect our senior citizens and want to live in a Quebec that is free of separatism and part of a prosperous Canada that respects its senior citizens.

* * *

[*English*]

NUCLEAR ARMAMENTS

QUESTIONNAIRE RESPONSE IN FAVOUR OF CRUISE MISSILE TESTING

Mr. Bill Domm (Peterborough): Madam Speaker, I am pleased to release the results of 2,567 written responses to a questionnaire distributed in May, 1983, on the testing of the Cruise missile. First, the findings reveal overwhelming support for NATO's decision to deploy Pershing II and Cruise missiles in western Europe to counter the imbalance created by the Soviet deployment of over 300 mobile SS-20 missiles. Second, the vast majority favours Canada testing the unarmed Cruise missile in Canada.

The results of the questionnaire are as follows:

Do you believe that our western allies should station Pershing II and Cruise missiles in western Europe if the Russians fail to remove some 315 triple-headed SS-20 missiles threatening western Europe?

Those people who answered yes, 84 per cent.

The next question was:

Do you believe Canada should remain in NATO?

Those who answered yes, 95.8 per cent.

The third question was:

Do you believe Canada should agree to have the unarmed Cruise missile tested at Cold Lake, Alberta?

Those who answered yes, 79 per cent; those who answered no, 21 per cent.

The results of this poll cause me to believe firmly that Canada should encourage and promote positive discussions at all levels of disarmament negotiations. However, I do not feel world peace can be achieved from a position of perceived weakness. The strength of the NATO Alliance holds the key to our quest for peace and our survival as a free society.

* * *

[*Translation*]

NATIONAL UNITY

ALLEGED DECLARATION BY PREMIER RENÉ LÉVESQUE IN FRANCE

Mr. Marcel Roy (Laval): Madam Speaker, pursuant to Standing Order 21, I wish to inform my colleagues in the House of the indignation of Quebec senior citizens following a statement made in Paris by Premier René Lévesque which I would call the PQ's euthanasia policy. Madam Speaker, I would like to quote from this week's issue of the magazine, *Le nouvel observateur:*

Quebec in the news

René Lévesque:

"The younger generation will decide—"

Madam Speaker, I would like to quote the interview given by the Premier, appearing in *Le nouvel observateur* on page 43, and I quote:

In 1980, we lost the referendum on sovereignty. In 1985, however—when the next consultation will probably take place—, hundreds of thousands of voters among those who had been "scared stiff" at the prospect of separation—especially the elderly—will have disappeared, while hundreds of thousands of young people will become eligible to vote.

This is what Premier Lévesque had to say about senior citizens. Madam Speaker, it would seem that the PQ has added a new chapter to its catechism on the independence of Quebec, namely, the elimination of senior citizens. Unfortunately for our Premier, his words have merely served to make his dissatisfaction with the present situation known to all Canadians.

* * *

[*English*]

EMPLOYMENT

JOB-CREATION PROGRAM URGED FOR SMALL BUSINESS SECTOR

Mr. Girve Fretz (Erie): Madam Speaker, the funding set aside in the budget for job creation indicates that the Government is attempting to address some of the concerns of the unemployed. However, these programs are far from ideal.

Why must it be that to qualify for grants one must be planning something cute or unusual? It seems that the person with a small manufacturing plant who is not involved in research or promotion is out of luck. Why should money only go to hire people who have exhausted their UIC benefits or who have to qualify in other complicated ways?

The time has come for a simpler program, one that will help small business, and on a permanent basis. Looking at cases which have qualified, it seems that jobs are only being created for periods from a few months to at most one year. After that we are back to square one. What is the point?

It makes sense to me that the money now going to assist in hiring part-time help for make-work programs of questionable value should go to aid businesses in expanding production. These businesses would hire people on a more permanent basis and help our economy to blossom once again. This would be the logical first step to take in removing the mystery from job-creation programs and in helping out the average person on the street.

S.O. 21

EMPLOYMENT

PLEA FOR ALL PARTIES TO CREATE BETTER OPPORTUNITIES

Hon. Stanley Knowles (Winnipeg North Centre): Madam Speaker, I am very grateful to you and to many other persons who had something to say about a birthday I celebrated a week or so ago. I really want to say that it has caused me to do a lot of thinking, to realize that I am 75 years of age and that I have been very effectively involved in things in this country for the last 50 or 60 years.

What impresses me is that persons involved in political efforts should be concerned about the real problems of our time. I am conscious of the fact that some of us have worked on pensions, health, housing, and things like that. If we have been a political force, it is because we have been dealing with something urgent and important. Even if there are ten, 20 or 50 years ahead of us, there are terribly important problems facing us right now, and I think of the question of employment. To me this calls not only for finding money for jobs for a million or a million and a half people who do not have jobs. We must also train people to take part in the kinds of new things which are being developed and will create the kind of life we will know in Canada.

What will be our future will depend very much upon what political efforts we make, not only mine and those of my friends, but those of all of us. My plea is that all Parties in the House take note of this terribly important issue, not only as it concerns funds but as it concerns training to educate people, so that we play a part in building the kind of life we want with the things in it which will make life better for the next 30 years or 40 years. That should be our important goal. It is up to us to do that, and I urge all Parties in this Parliament to make that our most important job.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

EXTERNAL AFFAIRS

STATEMENT BY FRENCH PRIME MINISTER ON OCCASION OF VISIT BY PREMIER RENÉ LÉVESQUE

Mr. Marcel Dionne (Chicoutimi): Madam Speaker, I would like to draw the attention of the House to what was said by the Prime Minister of France, Mr. Pierre Mauroy, to his Quebec counterpart, Mr. René Lévesque, during the latter's official visit to Paris.

Prime Minister Mauroy, speaking on behalf of his country, emphasized that the special relationship between Quebec and France should in no way be allowed to affect the normal relations France wishes to have with Canada, its long time ally and friend.

Mr. Mauroy also indicated to Mr. Lévesque that the future of relations between France and Quebec must be economically

viable, and I emphasize this economic aspect. I must say that I heartly approve of this new approach taken by the French.

It is true that we must strengthen our trade, technological and industrial relations with France if we want to see French used more often in trade, business and research.

I think that this week, when we are about to celebrate Canada Day, we should rejoice in the new relationship being established between Canada, France and Quebec.

* * *

• (1410)

[*English*]

THE ADMINISTRATION

CONDEMNATION OF GOVERNMENT POLICIES

Mr. Gordon Taylor (Bow River): Madam Speaker, the Liberal Government has become a thorn in the side of the people of Canada. The policies of the Liberals smack of totalitarianism. No longer does the Government even pretend to reflect the thinking of the people of Canada, which any democratic administration should be doing, but rather it continues to tell the people what it considers is good for the people. Let us glance at some of the examples.

Half of the agricultural nation opposed the passage of Canagrex, including practically every agricultural organization in the West, but the Government insisted on passing the Bill just the same. Thousands wanted the buy and sell provisions removed, but the Government said, "No, daddy knows best". Even Canada's national magazine *Maclean's* called the Bill "a cancerous growth", and the *Alberta Report* termed it "the big land grab", but the obedient Liberals and their socialist friends passed it just the same.

Then there was the Crow Bill. Almost half of the House of Commons opposed it in its present form, but that did not matter. The Government sneaked in closure, the Liberals passed it and then had the gall to say it was passed by the House of Commons. What about the Holiday Bill changing Dominion Day to Canada Day, passed by 13 Members of Parliament—not even a quorum, a disgraceful way to pass laws, particularly one that destroys some of the wonderful heritage of Canada. We could go on and on.

Any self-respecting Government would say, "The people don't want us, we will resign". But have hope Canada, the PC's under Mr. Mulroney will soon remove the thorn and set Canada free.

[*Translation*]

TEXTILES AND CLOTHING

GOVERNMENT POSITION

Mr. Dan Heap (Spadina): Madam Speaker, in the first five months of 1983, clothing imports in Canada increased 26 per cent compared to 1982. In early March, the Minister of State (International Trade) (Mr. Regan) promised the joint committee of employers and employees in the textile and garment industry that he would soon be giving them an answer to their requests for tighter controls on imports. He repeated this promise on March 30, April 21, May 31, and June 13. Imports are continuing, and layoffs are also continuing in Canadian factories, but the Minister still thinks that silence is golden. Has the Minister forgotten that the industry has over 15,000 jobs that have been affected in the riding of Spadina, 12,000 in Laurier, 6,000 in Brome-Missisquoi, 5,000 in Saint-Hyacinthe-Bagot, 5,000 in Shefford, 4,000 in Beauharnois-Salaberry, 4,000 in Sherbrooke, 4,000 in Saint-Jean, 3,000 in Saint-Michel-Ahuntsic, 3,000 in Saint-Léonard-Anjou and 3,000 in Beauce.

What does the Minister intend to do for the workers in these ridings who, because of clothing imports, have been replaced by workers in countries where the hourly wage is 39 cents, 25 cents or even 10 cents?

* * *

SHIPBUILDING

IMPORTANCE TO QUEBEC OF FRIGATE PATROL CONSTRUCTION CONTRACT

Mr. Louis Duclos (Montmorency-Orléans): Madam Speaker, within the next few weeks, the Government will have to decide which consortium will draw up detailed specifications for the prototype of the six frigates that will be built as part of a program to modernize Canada's navy.

The Quebec City region is particularly interested in the outcome, since traditionally, shipbuilding has been one of the major industries in this region.

As employment at the Davie shipyards in Lauzon has now reached alarmingly low levels, and since no other major contracts, with the exception of the six frigates, are in the offing, it is absolutely vital for the Quebec region that the Government should retain the services of the Scan-Davie consortium, where it is understood that Davie will build the prototype, thus making this shipyard the leader in this program.

In that case, both the shipyard and its workers could count on having work for many years, because both from the marine technology and shipbuilding point of view, Scan-Davie would be in an excellent position to compete for contracts in NATO countries, where some governments might decide to order the new frigate at some time in the future.

I therefore invite the Government to put its trust in the Scan-Davie consortium, whose proposal complies in every way with the standards and conditions set by the Department of National Defence.

ORAL QUESTION PERIOD

[*English*]

AIR CANADA

LOCATION OF HEAD OFFICE—LETTER WRITTEN BY FORMER CLERK OF THE PRIVY COUNCIL

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, my question is directed to the Minister of Transport. It concerns a matter we have not touched on for a few days. In view of the Transport Committee's decision this morning to postpone Air Canada matters until September 13 when the Chairman and President of Air Canada will be recalled as witnesses, can the Minister tell the House why Michael Pitfield, then Clerk of the Privy Council, wrote to the Minister about the future development of the McGill College Avenue area of Montreal, which was one of the places where Air Canada was considering locating its head office?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I would think it would be normal for Mr. Pitfield in his former capacity to write to me or to other Ministers expressing his views or the views of the Prime Minister on matters of this kind. I do not see anything abnormal in that.

MINISTER'S DISCUSSIONS WITH CHAIRMAN

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, in view of the fact that the Minister does not think there is anything unusual about this, is he prepared to table the letter and any other correspondence so that there will be no question of any improper advice?

After the Minister received the letter, and as a result of the letter, did the Minister call in the Chairman of Air Canada, Mr. Rene Amyot, and discuss the contents of the letter with him, especially in view of the fact that the letter appeared to have been influenced by or directed to have been written by the Chairman?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the letter comes under the "advice to the Minister" category and consequently is not one that would be made public. My hon. friend seems to be well informed of the content. It was a suggestion that, if at all needed, I should pay particular attention to the developments taking place in Montreal on the decision with respect to the purchase of a headquarters.

I did much more than was referred to in the letter. I sense that my hon. friend might have seen it. I went to Montreal where I spent a full day with the two main candidates studying their plans. I talked extensively to the personnel of Air Canada, the Chairman and the President and I developed my own feelings about the whole subject. Later on the decision was made unanimously by the Board of Air Canada in the way which my hon. friend knows.

Mr. Nowlan: If there is no real problem with the letter, if it could be tabled, it would help to clarify this matter, which has many confusing elements to it. I hope the Minister might see his way clear to do that.

NATURE OF DISCUSSIONS WITH CHAIRMAN

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, the Minister did not quite answer my second question. As a result of the letter, did the Minister call in the Chairman of the Board of Air Canada and discuss the contents of that letter with him? As a result of that conversation did he tell, direct, or suggest to the Chairman of Air Canada that he should have no further discussion with the Clerk of the Privy Council, Michael Pitfield, or the Prime Minister, unless there was a member of the Minister's staff or someone representing the Minister present?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, as I said, I went to Montreal. The Chairman, the President, and staff of Air Canada were there. The two main candidates, Trizec and Quebec Première, came there to make representations, with drawings and explanations, and answered questions. The Chairman was there and, as we were going along, I had discussions with him. A few days later there was a meeting of the board of Air Canada at which members made the decision to go the Trizec way. It was unanimous. What else could I have done?

* * *

• (1420)

THE DISABLED AND THE HANDICAPPED

DESIGNATION OF SECRETARY OF STATE'S RESPONSIBILITY

Mr. Jim Hawkes (Calgary West): Madam Speaker, in the absence of the Prime Minister I too will direct my question to the Deputy Prime Minister.

The Deputy Prime Minister will know that the Special parliamentary Committee on the Disabled and the Handicapped recommended the appointment of a Minister of State responsible for the status of disabled persons, some two years ago. I wonder if the Deputy Prime Minister could tell the House whether or not that appointment will be made later this day or in the near future, and if he could further tell us who it is likely to be, and to which Department that person will be attached.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I will try to answer the question not as the Deputy

Prime Minister but as the Acting Prime Minister. There is a great difference between the two.

On behalf of the Prime Minister I am pleased to announce that the Secretary of State who, since 1981 and up until now, had been co-ordinator in this area, will now be the Minister responsible for the status of disabled persons with a mandate to be responsive and to proselytize for their concerns and their needs, both in Government and outside of Government. I am very, very pleased to be the one to announce this.

Some Hon. Members: Hear, hear!

Mr. Pepin: I would like to say two other things if I may, Madam Speaker. I would like to observe the presence in the gallery today of representatives of the handicapped community, and I pay homage to them and to their courage.

Some Hon. Members: Hear, hear!

Mr. Pepin: I would also like to pay tribute to the Special Committee of the House of Commons on the Disabled and Handicapped people. This was of course an all-Party committee. Their report, entitled "Obstacles", has become a classic. I understand the Committee is coming to retirement this year and I would like to pay my respects to all of the Members of the Committee and particularly to the distinguished chairman.

Mr. Hawkes: Madam Speaker, I would like to congratulate the Government for taking a half step forward.

REQUEST THAT PERMANENT COMMITTEE BE APPOINTED

Mr. Jim Hawkes (Calgary West): Madam Speaker, I think it was recommended that there be a separate appointment of a Minister of State responsible for handicapped persons. If I understand correctly, the Minister answered my question by saying that this will be an added responsibility for the current Secretary of State. If I am confused about that, I hope the Minister will straighten me out.

Second, I would like to follow up on the Minister's praise for the Special Committee and ask him whether or not it is the Government's intention to turn that Special Committee into a permanent standing committee of the House. We on this side of the House would support such an initiative with a great deal of enthusiasm, and I hope there will be a positive response to that request.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend is right. The Secretary of State will add to his responsibilities the one I have indicated, but that is quite normal. The Minister of State for Mines is also responsible for the status of women and, as we all know, she does that job extremely well. The Secretary of State will do likewise.

With respect to half measures, I do not think that this is worth underlining because I do not think it is a fair measure. This afternoon the Secretary of State will table the third report which will indicate once again, as the two previous reports did, the dedication and commitment of the Government to that objective, Third, I do not know and in fact I doubt if there is any intention of converting the committee to a permanent one.

* * *

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF ASSISTANT MAYOR OF SAINT-MALO, MR. ALBERT-YVES SAËR

Madam Speaker: The House is aware that next year, we shall be celebrating the 450th anniversary of the first voyage to Canada by the explorer Jacques Cartier, when he took possession of New France on behalf of King Francis I. I am very pleased to draw the attention of the House to the distinguished presence in our gallery of the Assistant Mayor of Saint-Malo, Mr. Albert-Yves Saër, who is in charge of organizing the festivities in that city.

Some Hon. Members: Hear, hear!

* * *

[*English*]

THE ECONOMY

EFFECT OF GOVERNMENT RESTRAINT PROGRAM ON UNEMPLOYED

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I would like to direct a question to the Minister of Finance in anticipation of the Prime Minister's televised statement on the economy tonight.

The Minister might be aware that Bishop Proulx and the Catholic Bishops have said that in our present economic system people are organized to serve the economy rather than the economy serving the people. Would the Minister agree that the six and five program has not led to full employment, and that that is the real failure of the six and five program?

Would the Minister tell Members of the House what we are to say to the 22-year old Canadian who will never find a job, to the middle-aged Canadian woman who has been laid off because of technological change, and finally, to the labourer and carpenter who are working three months out of 12? In other words, what are we to say to the unemployed in Canada, and what does the Government intend to do, aside from the six and five program?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the New Democratic Party is again showing that it has practically no solutions to offer. They do not even have enough imagination to assume there is a sensible answer to the question they are asking. First of all, I would like to make it clear to the Hon. Member that the purpose of the 6 and 5 program was not to create full employment at a moment's notice. The program was aimed at reducing inflation, the result being that

we would be able to reduce interest rates, the economy would recover, investment and economic activity would start up again and employment would rise. The purpose of 6 and 5 was basically the creation of jobs in Canada for Canadians. We never claimed that this would happen immediately, but the fact is that during the past year, since the 6 and 5 program was introduced, we have been able to cut inflation in half. We have brought interest rates down from 20 per cent to about 11 per cent. We have been able to create some 330,000 jobs since last November. Economic growth has been constant during the past six months. Economic recovery has been very strong, and we are, of course, hoping to create as many jobs as possible, as soon as possible, for all Canadians. However, we do not have a magic solution, any more than the New Democratic Party does.

[*English*]

APPLICATION OF PROGRAM

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I would like to direct my supplementary question to the same Minister. Thirty-four years ago almost to the month, the present Prime Minister went before workers in Asbestos, Quebec, and, I am told, spoke with passion about liberty and equality. Would the Minister agree that the six and five program has been unequal in its application to Canadians, and would the Minister agree that the present economic system is unequal, in the sense that there has only been a profit recovery, and no recovery for the workers of Canada? Let the Minister answer the question with some policies.

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the six and five program has been unequal in the sense that it has not applied to the poorest of the poor and to the people who are in need in the country. The programs designed to help them, have already been fully indexed, as has been the case with old age pensioners, with recipients of the child tax credit, and with recipients of unemployment insurance. These people have not seen a ceiling imposed on increases in their benefits.

All through this time we have been very careful to make sure that the people in need in the country are not affected by the six and five per cent limit that we have put on. What we have done, particularly in the Public Service, has been to disallow increases of even 6 per cent and 5 per cent for upper income public servants. The Hon. Member knows that, and he should recognize that. As a matter of fact the Canadian public recognizes that much more than Members of the NDP seem to realize.

* * *

BANKS AND BANKING

PROFITS EARNED BY CHARTERED BANKS

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, the Canadian Bankers' Association tells us that its return on average equity for the first six months of 1983 is more than 15 per cent. That places it virtually in the most profitable sector of the entire Canadian economy. If this trend continues, 1983 will be the most profitable year in Canadian banking history. My question to the Minister of Finance is a very straightforward one. Would he not agree that the profits now accruing to Canada's chartered banks are being made, by and large, at the expense of Canada's small business sector?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): No, Madam Speaker, but I may add that the Hon. Member is speculating on what the banks' incomes will be during the next six months, and I would suggest that he wait for the year-end results before drawing any conclusions. However, I may remind the Hon. Member that the present trend seems to indicate that bank profits are proportionally the same as they were in 1981. So there has been no radical change from the situation in 1981, when a committee of the House made a study of bank profits and reached the conclusion that they were not excessive. Parliamentarians themselves examined bank profits in 1981 and found they were not excessive.

* * *

• (1430)

[*English*]

CANADIAN NATIONAL RAILWAYS

INVESTMENT WITH CAST SHIPPING GROUP

Mr. Howard Crosby (Halifax West): Madam Speaker, I have a question for the Minister of Transport concerning the last chapter in the sad saga of Cast shipping group. After losing $62 million, and other millions in uncollected accounts, Canadian National has discontinued its negotiations to bail out Cast, and Euro-Canadian Shipholdings Limited has gone into receivership.

Three years after the Minister was warned about the danger of CN investing in Cast, and two and a half years after he said it was a good investment yielding profits, will he acknowledge the error of his ways and admit his mistake and that of Canadian National? More important, will he guarantee to the House of Commons that not one more cent from the public purse will be put into the Cast shipping group for further activities of that defunct organization?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, if my hon. friend and others did not cry wolf in every instance, I might pay some attention to the advice they give me on specific issues, but they are negative to everything so I have no choice. They are "Messrs. No". There might be other circumstances than the one my hon. friend has in mind to explain the difficulties of the Cast ventures.

Be that as it may, as my hon. friend knows, the situation is that negotiations are rather dormant at this time. I have left the Order in Council on the table so that if and when, or when

and if, the banks make their move, CN would have a negotiating position. That is the situation now.

Mr. Crosby: Madam Speaker, the Minister is a hound for punishment. Apparently he is going to keep going.

REQUEST FOR INVESTIGATION BY CANADIAN TRANSPORT COMMISSION

Mr. Howard Crosby (Halifax West): Madam Speaker, in 1981 when the Minister was bragging about the return from Cast shipping to CN of $10 million, Frank Narby, the principal involved, received $26 million from the Cast shipping group. Can the Minister tell us what happened to these funds? Where did they go? Did Mr. Narby pocket the funds so that they are lost to the Canadian people and the Canadian marine transportation industry? More important, will he allow the Canadian Transport Commission to investigate all of these goings on, and make a report? On that headless organization: When is he going to appoint a chairman for the Canadian Transport Commission?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, when I reported that there was a $10 million profit on a $60 million investment I thought that was pretty good for one year. I thought I was right in rejoicing at that time.

With respect to the investigation of cast by the CTC, that was supposed to take place in September, but I do not know what the CTC will do now. With respect to not investing one more cent in it, I think that this would have been the case, had the deal been made between Cast and CN, because there was no investment by CN in Cast. Money to operate was all that was contemplated at that time.

* * *

GRAIN

CASH ADVANCE PAYMENTS—REQUEST FOR INCREASE

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I have a question for the Minister of Transport with regard to cash advances. I have had correspondence and discussions with him on the subject, and I have given him advance notice of the question. Is he in a position to announce an increase in cash advances for the coming crop year, bearing in mind that the last time there was an increase was 1975, and also bearing in mind that there is little likelihood of very much, if any, final payment this year?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the prairie grain advance payment is still before the Committee of the Cabinet. It has strong support from at least three strong men, the Minister responsible for the Canadian Wheat Board, the Minister of Agriculture, and the Minister of Transport. We are moving, but I do not think we will reach a conclusion before September. My hon. friend can come back in September hoping for good news. With the legislation on the western rail initiative that will be a good reason for him to come back.

Mr. Mayer: Madam Speaker, I had essentially the same answer from the Minister a year ago.

REQUEST FOR ASSISTANCE TO FARMERS

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I would point out to the Minister that for a very small amount of money he could benefit roughly 150,000 farmers in western Canada. I would also point out that the Wheat Board borrows at prime minus one-quarter. If the Government is willing to spend $1.4 billion on an aircraft company in Montreal, surely it could find about 1 per cent of that amount to help prairie farmers, in what is going to be a very difficult cash situation this fall.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I think I was sufficiently open for my hon. friend to understand that I was in sympathy with his argument. I think there is time for updating that level of payment. In the meantime I am sure my hon. friend, who is an expert on grain, will rejoice with me on the settling of the dispute on the West Coast, and on the indications that this year Canada will again break all records for grain exports 28 million tonnes as opposed to 26.1 million tonnes last year.

* * *

AUTOMOTIVE INDUSTRY

AGREEMENT ON IMPORTATION OF JAPANESE MANUFACTURED CARS—INQUIRY RESPECTING JOB CREATION

Mr. Otto Jelinek (Halton): Madam Speaker, in the absence of the Minister of State for International Trade I will put my question to the distinguished Minister of Industry, Trade and Commerce, so called by the former Minister, regarding the announcement made yesterday about Japanese auto quotas. This new agreement does not include trucks or commercial vehicles, and allows virtually the same number of passenger cars into Canada this year as last year—more than either Ford or Chrysler. In other words, it is another Government stall tactic without getting to the root of the problem, namely, productivity and jobs. Can the Minister tell us honestly and simply how many new Canadian jobs will be created as a result of this new agreement?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, I will be happy to tell the Hon. Member that, if he can tell me how many Canadians will buy North American cars in the coming year.

Mr. Jelinek: Madam Speaker, the Minister knows that as as a result of improved economic conditions in the United States there has been an increase in domestic auto sales, but the fact is that Japanese auto imports still exceed both Ford and

Chrysler which contribute to Canada's economy and employment, while the Japanese do not. The Minister should know that quotas and import restrictions alone do not create productivity and jobs in Canada.

REQUEST THAT FOREIGN MANUFACTURERS CREATE JOBS IN CANADA

Mr. Otto Jelinek (Halton): Madam Speaker, may I ask the Minister when the Government is going to stop pussyfooting around with unproductive, band-aid solutions such as that announced yesterday and, instead, establish long-term arrangements to encourage offshore manufacturers to produce or even assemble vehicles in this country? This would create jobs and increase productivity in this country. There are solutions. When is the Minister going to start using them?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): First of all, Madam Speaker, I think my colleague, the Minister of State for International Trade, should be complimented on the agreement he negotiated with the Japanese automobile industry, under the circumstances. The fact is that the share of the domestic market for Japanese cars, which is forecast to be less this year than last year, indicates that there will be an increase in the share of the market for North American automobiles, which addresses the question that the Hon. Member raised.

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[*Translation*]

MINES AND MINING

MINES AT MURDOCHVILLE, P.Q.—GOVERNMENT POSITION

Mr. Alexandre Cyr (Gaspé): Madam Speaker, as the Member for Gaspé, I would like to welcome the Assistant Mayor of Saint-Malo, Mr. Albert-Yves Saër. We expect to have thousands of French people visiting us next year.

Madam Speaker: Order, please. Does the Hon. Member have a question? This period is reserved for questions only.

Mr. Cyr: My question is directed to the Hon. Minister of State (Mines).

Last December, I informed the Minister that Gaspé Mines in Murdochville had suspended operations because of the low price of copper. However, the company wanted to remove overburden in order to provide employment for about 300 to 500 workers in the area.

Recently, the newspaper *Le Devoir* reported from Quebec City that the Province of Quebec had submitted a program to the Minister for a joint development plan for Murdochville, in order to get the area out of its impasse.

Could the Hon. Minister inform the House whether the Government of Canada has refused to take part in a joint project with Quebec for the creation of 500 jobs in Murdochville? And does the Minister intend to provide financial aid—

Madam Speaker: Order, please.

• (1440)

[*English*]

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, as far as I know, no such request has come forward formally from the Government of Quebec. However, we have had a number of meetings with senior officials from Noranda Mines at Gaspé. Our first meetings took place in December of last year, at which time we explained the programs available to them through the use of Section 38 and NEED. We are at the moment continuing our negotiations with the company, and we have already placed some men through these programs.

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FEDERAL BUSINESS DEVELOPMENT BANK

APPROVAL OF LOANS—APPLICATION OF CRITERIA

Mrs. Jennifer Cossitt (Leeds-Grenville): Madam Speaker, my question was to be directed to the Minister of State responsible for small businesses and tourism. If he has left the Chamber, perhaps I may address my question to the Minister of Finance. In his April 19 budget the Minister of Finance stated, "The operating mandate of the FBDB—the Federal Business Development Bank—will be expanded to give it a broader role in supporting Canadian small businesses." However, subsequent memos, copies of which I do have in my possession, Madam Speaker, from the Vice-President, Financial Services, of FBDB, to the regional offices, clearly outline that the new mandate actually prohibits them from lending money to those small businesses which have turned to the Bank as a last resort. Will the Minister tell the House why more stringent criteria have been applied to approving loans, when we were led to believe quite the opposite?

Hon. William Rompkey (Minister of State (Small Businesses and Tourism)): Madam Speaker, I wonder if I could ask the Hon. Member to repeat the question.

Some Hon. Members: Oh, oh!

Mr. Rompkey: I only heard the last part of it.

Mrs. Cossitt: Madam Speaker, I can repeat the question. I believe most Members in the Chamber did hear it. I was basically referring to the budget whereby the FBDB was given a broader mandate, and the fact that I have memos in my possession whereby the Vice-President of the Federal Business Development Bank is doing the exact opposite. In the eastern Ontario region since the April 19 budget only nine loans have been approved to small businesses through FBDB. Could the Minister explain this if, indeed, the Government is expanding

or giving a broader mandate to the Federal Business Development Bank? Or is it really that the FBDB is going to be phased out, or sold to another financial institution?

Mr. Rompkey: No, Madam Speaker, the latter is not true at all. Indeed, the mandate has been expanded. We asked FBDB to stay into term lending and to expand its counselling program, including the very popular CASE program, and, in addition, to get into what we call "merchant banking", which is really the role of the deal maker for a small business. FBDB, of course, is not necessarily putting in its own money. The message in the budget was that the private sector needs to do the job. It needs to be out front. What we are saying to FBDB is that in putting together those deals, it should access capital in the private sector as a first alternative. Therefore, there is an expanded mandate for FBDB. We have requested FBDB to make sure it serves small business, particularly in rural areas of Canada.

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[*Translation*]

TEXTILES AND CLOTHING

INQUIRY RESPECTING GOVERNMENT POSITION

Mr. Dan Heap (Spadina): Madam Speaker, since the Minister of State (International Trade) is not in the House, my question is directed to the Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion. For three months the Minister of State (International Trade) has been promising that a position would be taken by the Government, while clothing imports have risen by 26 per cent, compared to 1982. Could the Minister inform the Canadian people what he intends to do about the thousands of workers who are losing their jobs because of unacceptable delay on the part of the Minister, and what kind of jobs the Government intends to provide for these workers, since their industry is becoming extinct? Are these workers—

Madam Speaker: Order, please. I think the Hon. Member's question is long enough.

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the Minister of State (International Trade) is working on the problem.

[*English*]

He hopes to make a report in the next couple of weeks.

* * *

CRIMINAL CODE

PROSECUTIONS FOR BROADCASTING PORNOGRAPHIC PROGRAMS

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, my question is directed to the Minister of Justice. The Minister has said that the better way of dealing with pornography broadcasting for which the CRTC has given licences, is to prosecute after the fact, using the obscenity laws. Will the Minister explain to the House how the existing law, or even the amendments which he proposed last week, will suffice for pornography broadcasting? How could the law be used for pornographic programs transmitted by satellite, for example? I refer to complaints I have received of taverns showing pornography broadcasts of vicious gang rapes, which are treated as a spectator sport. Is a TV program a "matter" or "thing", as in his legislation? Would he not agree that the language of Section 159(1) and (2) of the Criminal Code is hopelessly out of date?

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, I do not recall expressing any opinion that there should not be any special provisions for the broadcasting situation. I certainly have taken the position many times that the existing law on obscenity, and the amendment which I proposed last week, do apply and should apply to the broadcasting area, as to all others.

The Hon. Member asks how this would apply in the situation which she raises. Usually, with an earth satellite station or a cable company, there is no problem in convicting in a case of that kind. In fact one was convicted very recently in this vicinity for showing obscene representations. Nor, Madam Speaker, should there be any problem in the case of an hotel owner or a pub owner who is showing obscene representations. He is responsible and he will be subject to legal liability.

The Hon. Member asks whether such representations are a "matter" or "thing". Whether they are a "matter" or "thing" does not, perhaps, count for so much as the fact that they would be included. The Hon. Member will observe the fact that the Code uses the words "any other thing whatsoever", which is certainly broad enough to include all of the matters which she has raised.

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HOUSE OF COMMONS

INQUIRY RESPECTING DATE OF CENTRAL NOVA BY-ELECTION

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, my question is directed to the Acting Prime Minister. Can he inform us whether the Prime Minister has screwed up sufficient courage as yet to announce the date of the by-election in Central Nova?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I do not see the Prime Minister having to muster very much courage to announce that by-election. He said clearly yesterday that it was a matter of a week or two, and that is a short period of time if one looks at Canadian precedents, both federal and provincial, in these matters.

PRECEDENT ESTABLISHED IN 1967

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, I am glad that the Acting Prime Minister mentioned precedents. I am going to ask him to take to the Prime Minister, when he reports on his activities in the discharge of his duties on this day, the record of a former Prime Minister, the late Right Hon. Mr. Pearson, a gentleman who had a higher degree of respect for the traditions and practices of this place than the present Prime Minister. Will the Minister convey the precedent to the Prime Minister of the resignation on September 18, 1967, of the then sitting Member for Colchester-Hants, Mr. Cyril Kennedy, and on the same day, September 18, 1967, a warrant was issued to the Chief Electoral Officer, and the day after that warrant, the then Prime Minister announced that the writ for the by-election was issued. That will all be found in *Hansard* for September 25, 1967.

An Hon. Member: What is your question?

Mr. Nielsen: My question is: will the Acting Prime Minister convey that very useful precedent, which was established by a gentleman who was far more familiar with the practices and precedents of this Parliament?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, obviously the Leader of the Opposition is trying to create a tempest in a teapot. I was here yesterday. The Prime Minister mentioned "one or two weeks". He mentioned "soon". I did not see anything particularly alarming in the statements which he made at the time. However, if my hon. friend would like to give me a copy of the note from which he was reading, I will gladly communicate it to the Prime Minister who might be impressed, who might be influenced, and who might not have to do that particular research if someone else already has done it.

* * *

• (1450)

VOLUNTARY ORGANIZATIONS

DEFINITION OF CHARITABLE ACTIVITY

Mr. Walter McLean (Waterloo): Madam Speaker, my question is directed to the Secretary of State. On June 21 an article in *The Globe and Mail*, following last week's conference on Canadian lobbying efforts in Washington, reported as follows:

> On the acid rain issue, foreign service officers in our Washington Embassy have worked with U.S. environmentalists and other interest groups, treading the fine line between diplomacy and advocacy.

As the Secretary of State will know, existing regulations here in Canada provide that any Canadian charitable or voluntary agency considered by the Government to be lobbying public opinion can lose its charitable status. The Minister made a commitment in the House to review this issue by a task force—

Madam Speaker: Order, please. That question is really going on for quite a long while. I will not allow the Hon. Member a supplementary if he goes on any longer.

Mr. McLean: Madam Speaker, in light of this Government precedent, would the Minister not agree that we are at a point where it is mandatory for an early investigation of the definition of "allowable charitable activity"?

[*Translation*]

Hon. Serge Joyal (Secretary of State): Madam Speaker, we share the Hon. Member's concern. I have said a number of times, both inside and outside the House, that one of the key elements of a comprehensive policy to help charitable organizations in Canada was to ensure that the Canadian tax system and our legislation reflect the concerns of contemporary society. In this connection, my colleague, the Minister of National Revenue, is continuing a study of the present tax laws so that if amendments are necessary, they will be tabled in the House and we shall be able to reflect the concerns of Canadian communities in our legislation.

[*English*]

PROPOSED LEGISLATIVE AMENDMENTS

Mr. Walter McLean (Waterloo): Madam Speaker, my supplementary is directed to the Minister of Finance and concerns tax changes and the voluntary sector. He will know that in December of 1981 the National Voluntary Organizations presented to his Department a series of proposed amendments to the Income Tax Act concerning allowable charitable activities. Is the Minister now in a position to tell the House when we can expect to see the changes, based on this modern definition of charitable activity of which the Secretary of State speaks?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I am not in a position today to set a date in this respect.

* * *

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

POSSIBLE STUDY OF LEGISLATION BY SENATE COMMITTEE

Mr. Svend J. Robinson (Burnaby): Madam Speaker, my question is for the Solicitor General, who will know that in Toronto last night a large rally was held, with such prominent figures as Anglican Primate Ted Scott, retired Justice Emmett Hall, Doris Anderson, and even a former Liberal Solicitor General strongly condemning the Minister's proposed Orwellian security Bill.

In view of these and other widespread criticisms, and in view of the thundering silence of the Minister's own caucus and Cabinet colleagues on this Bill, how can he possibly justify his decision to ask a special Senate committee to study this Bill,

with a four-month deadline, a decision which denies meaningful public input and which is in fact a perversion of the normal democratic process of this Parliament?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, as the House knows, I had hoped there would be a joint committee established to deal with the Bill. I understand that is still possible, although I have been told that Members opposite have indicated they are not willing to sit and listen to representations about the Bill this summer. I understand the Senate may establish a reference to do so. I hope they do, because that will make it possible for all those with objections to and concerns about the Bill to be heard, and will give the public an opportunity for the first time to make up its mind about the Bill.

[*Translation*]

POSSIBLE VIOLATION OF CIVIL LIBERTIES OF PARTI QUÉBÉCOIS PARTISANS AND MILITANTS

Mr. Svend J. Robinson: Madam Speaker, my supplementary is also directed to the Solicitor General. According to the disastrous provisions of this Bill which, in fact, create a police state, any groups or individuals supporting separatism in Quebec in an unconstitutional manner, as, for example, through a unilateral declaration of independence after a referendum, could be investigated by the Canadian Security Intelligence Service, which would be allowed to open mail, listen to telephone communications and consult confidential medical records. Since the Parti Québécois itself could very well support a declaration of this kind, how could the Minister justify a Bill that would condone this extreme violation of the civil liberties of thousands of supporters and militants of the Parti Québécois?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, perhaps I could suggest to the Parti Québécois to submit a brief to the Senate committee, if there is one, in order to discuss its reactions to the Bill.

* * *

[*English*]

FARM CREDIT CORPORATION

EXTENT OF BORROWING AUTHORITY

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is for the Minister of Finance who will know that farm income has gone down by 14 per cent this year, that the Farm Credit Corporation ran out of funds within two months of their being allocated, and that it requested permission to borrow an additional $500 million from the private money market. This was refused, and it has only been allowed to borrow $250 million. I ask the Minister why it has not been allowed to borrow the money required to provide adequate farm financing and refinancing?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I was surprised to hear my colleague mention only $250 million. From what I have heard, a quarter of a million dollars is still a rather substantial sum, when we realize that this is in addition to amounts already borrowed by the organization in question, and that the latter is receiving money each year from loan repayments, which it can then lend again. I would think that in the circumstances, $250 million should be enough to meet requirements in the current year.

[*English*]

Mr. Gurbin: Madam Speaker, I am surprised the Minister feels an additional $250 million would be adequate or that it means so much, when he found $200 million, just like that, when he needed it for his photo opportunity, and when he gave $1.4 billion to Canadair without thinking about it.

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THE ECONOMY

IMPACT OF GOVERNMENT RESTRAINT PROGRAM—COMPARISON WITH UNITED STATES

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my supplementary to the Minister relates to the six and five program. The Minister has repeatedly said that the economy of this country is dependent on the United States and international economies. Why is the Minister so certain that his six and five program has been responsible for economic recovery in Canada when the U.S., without a six and five program, is doing better in its economic recovery, with a better rate of inflation, less unemployment, and where in the long run they look like they have a happier future?

Hon. Marc Lalonde (Minister of Finance): How come there are so many Americans who would like to move to Canada?

Some Hon. Members: Oh, oh!

Mr. Lalonde: That is true.

Mr. McDermid: Name one!

Mr. Lalonde: My hon. friend should remind himself that the figures he has mentioned, all those hundreds of millions of dollars, have been used to create jobs in this country. The recovery program, for instance, is going to be used to build infrastructure across the country. Canadians are going to be employed and will benefit from these developments taking place across the country.

As far as the six and five program is concerned, the Government has never said this was the be all and end all of economic policy. We said it was an important instrument in ensuring that there would be a decline in inflation in this country. It has indeed been that. It has indicated a clear leadership by the Government of Canada, which has been followed by the provincial and municipal Governments and the private sector.

Surely my hon. friend knows this, and knows the program has had a significant impact on the Canadian economy in terms of lowering inflationary expectations and helping us to reach lower interest rates. We also recognized and indicated all along that it was very important that there be recovery in the rest of the world, particularly in the United States, and we are very happy about what is happening in the U.S. We are benefiting from that, too.

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FARM CREDIT CORPORATION

ACCESS TO CONSOLIDATED REVENUE FUND

Hon. John Wise (Elgin): Madam Speaker, this is the second time in a few days we have had some very disappointing news. The first was the response to a question I put to the Minister of Agriculture last week, in which he disclosed publicly that the FCC was out of funds. The second one was today in the response to the question of my colleague, the Hon. Member for Bruce-Grey, where we learned that the request of the FCC for $600 million has indeed been reduced to $250 million.

• (1500)

My supplementary question must be directed to the President of the Treasury Board because he will know there are only two sources for funding for the Farm Credit Corporation, one being from the private side. That has been significantly reduced. The second source, of course, would be from the Consolidated Revenue Fund. In view of the fact that the Minister of Finance has indeed reduced the original request by the Farm Credit Corporation by 60 per cent, has the Minister of Agriculture, on behalf of the Farm Credit Corporation, made the appropriate application to Consolidated Revenue Fund for additional funds?

Hon. Marc Lalonde (Minister of Finance): My hon. friend has it all mixed up. I am also responsible for the purse, generally. As my hon. friend was a Minister, he knows that every day all kinds of groups, agencies, and Government Departments, come with requests for large amounts of money. It is the job of the Minister of Finance to make decisions, quite often telling those people who apply that they cannot get everything they want. In this case I indicated that $250 million was adequate, and that is the decision.

* * *

PETITION

MR. YOUNG—SAFE DRINKING WATER

Madam Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Beaches

(Mr. Young) meets the requirements of the Standing Orders as to form.

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POINT OF ORDER

MR. COLLENETTE—STATEMENT OF MR. STEWART PURSUANT TO S.O. 21—RULING BY MADAM SPEAKER

Madam Speaker: Since both Hon. Members are in the House today, I would like to rule on the point of order which was raised by the Hon. Member for York East (Mr. Collenette) on June 21. I have not been able to rule before because either one or the other Hon. Member was not in the House. That point of order dealt with the fact that the Hon. Member for Simcoe South (Mr. Stewart) had allegedly referred to the Royal Family in the context of a partisan statement, contrary to our rules and practices. He quoted Beauchesne and also Erskine May in support of his contention that the Royal Family had been used in order to influence debate.

The Hon. Member's statement, of course, does not constitute debate for the very fact that during that period there was no motion before the House. Therefore technically speaking, the Hon. Member for Simcoe South was not speaking at a time that one could call debate. However, that is just a technical matter.

I would like to stress and caution very strongly that Hon. Members use great discretion in mentioning the Royal Family or, by extension, the Governor General in their statements and in the course of their argumentation. Of course, the practice which has been well honoured in the House is that the names of the Royal Family or the Governor General should not be brought into debate. Had the Hon. Member been speaking in the course of debate, my ruling might have been different, but it was extremely borderline. Therefore, I again caution Hon. Members against this, and I thank the Hon. Member for York East for having raised the matter.

Mr. Lewis: I rise on a point of order, Madam Speaker. With respect to the ruling which Your Honour just made, I wonder if I might inquire from the Chair whether the Chair had occasion to review the remarks of the Parliamentary Secretary to the Minister of National Defence (Mr. Hudecki), as reported in *Hansard* on June 20, 1983, when reference was made to the Royal Family. Was that included in the Chair's decision?

Madam Speaker: Of course not. That matter was not raised and I certainly did not look into it, but will if the Hon. Member is now raising it. Normally, those matters are raised immediately after they happen. However, if the Hon. Member is raising it now, I will consider it and I will rule on it.

Mr. Lewis: Madam Speaker, the point that I wanted to make was simply that we did not consider it worthy of raising.

Madam Speaker: Well, then, it is not raised.

Committee Reports

ELECTORAL BOUNDARIES READJUSTMENT ACT

OBJECTION TO REPORT OF COMMISSION FOR THE PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Nunatsiaq (Mr. Ittinuar), Moncton (Mr. McCauley), Welland (Mr. Parent), Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), Ottawa-Vanier (Mr. Gauthier), Ottawa-Centre (Mr. Evans), Hamilton West (Mr. Hudecki), Etobicoke North (Mr. MacLaren), Abitibi (Mr. Gingras) and Winnipeg-Fort Garry (Mr. Axworthy) has been filed with me pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, R.S.C. 1970, to the Report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I would suggest that we follow past practice and print the text of these objections as an appendix to *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

OBJECTION TO REPORT OF COMMISSION FOR THE PROVINCE OF NEWFOUNDLAND

Madam Speaker: I must inform the House that earlier today an objection signed by certain Hon. Members of the House to the Electoral Boundaries Commission's Report for the Province of Newfoundland was filed with me. Hon. Members will know that there are 30 days in which to file objections, after the tabling of the Report. These particular objections have been filed late. The last date for filing objections would have been June 27. However, with the unanimous consent of the House, I guess we could consider that these objections have been filed today. Is there unanimous consent of the House?

Mr. Doug Lewis (Simcoe North): Madam Speaker, I would like an opportunity to consult my colleagues on the matter and will advise the Chair later whether or not we will grant unanimous consent.

ROUTINE PROCEEDINGS

[*English*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

PRESENTATION OF TWENTY-FIRST REPORT OF STANDING COMMITTEE

Mr. John Evans (Ottawa Centre): Madam Speaker, I have the honour to present the twenty-first report of the Standing Committee on Finance, Trade and Economic Affairs.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

[*Translation*]

DISABLED PERSONS

TABLING OF THIRD REPORT OF GOVERNMENT RESPONSE TO RECOMMENDATIONS

Hon. Serge Joyal (Secretary of State): Madam Speaker, pursuant to Standing Order 46(2), I have the great pleasure—

[*English*]

—of tabling in both official languages the third report of the Government of Canada in response to recommendations arising from the International Year of Disabled Persons.

* * *

PETITIONS

MR. MITGES—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I have the honour to present a petition signed by 201 residents of the City of Owen Sound and surrounding areas of the constituency of Grey-Simcoe in the Province of Ontario. The petitioners strongly oppose the testing of Cruise missiles in Canada and, as well, condemn the first use of nuclear weapons for which they claim Cruise missiles are designed. They therefore urge the federal Government to ban the testing of Cruise missiles in our country and fervently hope that their wishes will be acted upon.

[*Translation*]

MRS. HERVIEUX-PAYETTE—ELIMINATION OF LEAD ADDITIVES TO GASOLINE

Mrs. Céline Hervieux-Payette (Montreal-Mercier): Madam Speaker, I have the honour to present to the Honourable House of Commons of Canada, in Parliament assembled, the petition of the undersigned residents of the Municipality of Baie Comeau in the Province of Quebec, who now avail themselves of their ancient and undoubted right thus to present the following grievance: That the practice of adding lead to gasoline is the main cause of high levels of lead in the atmosphere.

That it is a recognized fact that exposure to even minimal quantities of lead is dangerous to human health, and especially to children and the unborn, since it can affect the development of the brain and the child's mental capacity, and can cause behavioral disorders.

Therefore your petitioners humbly pray the Government of Canada will enact legislation that will put an end to the practice of adding lead to gasoline in Canada and provide that existing alternative solutions will be used.

And as in duty bound your petitioners ever pray.

[*English*]

MR. RIIS—IMPORTATION AND CAPTURE OF KILLER WHALES

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, I have the honour to table before the assembled Members of Canada's House of Commons a petition on behalf of the undersigned residents of British Columbia, who urge a ban on the importation and capture of killer whales for display at aquariums across Canada. At present, killer whales die and are replaced at a frightening rate for entertainment and profit. The petitioners request the House to revoke existing permits for their importation and capture and to cease immediately the issuance of further permits.

Finally, the petitioners urge the House to reject the killer whales' forced role as circus performers and encourage us all to direct our attention and energy toward their protection in a natural environment.

MR. BLAIKIE—ELIMINATION OF LEAD ADDITIVES IN GASOLINE

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, I have the honour to present a petition on behalf of 622 Canadians from Manitoba, British Columbia and Ontario who are all members of the National Survival Institute and note that the practice of adding lead to gasoline is the leading source of high levels of lead in the Canadian environment and that exposure to lead in all but very small amounts is known to be hazardous to human health, especially in young children and in the unborn child, affecting brain development and intelligence and causing behavioural disturbance. Therefore, the petitioners call upon the House to provide legislation which calls for the total elimination of lead additives to gasoline in Canada and to ensure that safe, economic alternatives which are known to exist are provided.

MRS. COSSITT—DISTRIBUTION OF PORNOGRAPHIC MATERIAL

Mrs. Jennifer Cossitt (Leeds-Grenville): Madam Speaker, I have the honour and duty to present a petition to the House of Commons in Parliament assembled. The petition of the 398 undersigned students and teachers of South Grenville District High School in my constituency of Leeds-Grenville, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that those persons who distribute pornographic material should meet their legal responsibility and also ensure that they obey the laws concerning the selling of pornographic material to young people.

Wherefore the undersigned, your petitioners, as in duty bound humbly pray.

Order Paper Questions

THE DISABLED AND THE HANDICAPPED

ACCESS TO HOUSE OF COMMONS GALLERIES

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I wish to raise a question of privilege. During the Question Period, the Acting Prime Minister (Mr. Pepin) raised the matter of the access of handicapped people to the House. He did so by pointing out there were handicapped people in the gallery. This is largely due to the efforts of the Speaker in the Thirty-first Parliament—

• (1510)

Madam Speaker: Order. That is not a question of privilege and the Hon. Member knows that. If he wants to make a statement on these matters he can use the 15-minute segment before the Question Period. This is certainly not a question of privilege; it is simply continuing debate.

Mr. Waddell: I simply wanted to thank him, Madam Speaker.

Madam Speaker: Thank yous are not in order either.

* * *

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. 4,644, 4,750, 4,821, 4,828, 4,844, 4,845, 4,865, 4,871, 4,905 and 4,957.

[*Text*]

DEPARTMENT OF FINANCE—PERSON-YEARS IN MAIN ESTIMATES

Question No. 4,644—**Mr. Beatty:**

1. How many person-years were approved for the Department of Finance in the Main Estimates for the fiscal year 1982-83 and what is the direct cost to the taxpayer attributable to those person-years?

2. Were increases in (a) person-years (b) costs attributable to increases in person-years approved in Supplementary Estimates during the fiscal year 1982-83 and, if so (i) what were such increases (ii) for what reason did the Minister of Finance feel such additional assistance was needed by him in a time of restraint?

3. Were any advisors who were responsible for the November, 1981 budget released by the Department and, if so, how many?

Hon. Paul J. Cosgrove (Minister of State (Finance)): 1. Seven hundred and ten person-years were approved for the Department of Finance in the 1982-83 Main Estimates, salaries and wages and employee benefit plans attributable to these person-years totalled $27,977,000.

2. (i) A total increase of 48 person-years was approved in Supplementary Estimates, 1982-83. Costs attributable to these person-years totalled $1,697,000.

(ii) Of the 48 person-years included in Supplementary Estimates, three person-years were required to establish a small

secretariat to handle departmental involvement in Industrial and Labour Adjustment Program related activities.

Fifteen person-years were necessary to develop a pool of expertise in the fields of corporate and public finance so as to determine the budgetary and economic impacts of private sector assistance in response to financial distress situations.

Thirty person-years were required to permit increased emphasis on economic research in the area of tax policy and legislation. These person-years will also permit a concentrated effort to be placed into the dissemination of public information and consultation with the private sector.

3. No, the Department did not release any advisors involved in the November, 1981 budget.

HUMAN RIGHTS TRIBUNALS

Question No. 4,750—**Mr. McKenzie:**

1. From what sources does the Canadian Human Rights Commission get its list of persons appointed to tribunals?

2. What counsel are used and authorized by the Commission in court actions across the country?

Hon. Mark MacGuigan (Minister of Justice): 1. The Canadian Human Rights Commission chooses its members for Human Rights Tribunals from a panel of prospective members established and maintained by the Governor in Council on recommendation from the Minister of Justice.

2. The following are the firms and city of counsel used and authorized by the Commission in court actions across the country since March 1978.

Rivest, Castiglio, Castiglio, Montreal

Scott & Aylen, Ottawa

Silver-Dranoff & Associates, Toronto

Shumiatcher-Fox, Regina

Gowling & Henderson, Ottawa

Herridge, Tolmie, Ottawa

Cameron, Brewin & Scott, Toronto

Gardiner, Roberts, Toronto

Hoyt, Mockler, Allen & Dixon, Fredericton

Wright, Davies, London

Noel, Décary, Aubry, Hull

McTaggart, Ellis, Vancouver

McMaster & Meighen, Toronto

Farris, Vaughan, Wills & Murphy, Vancouver

Murtha & Associates, Lower Sackville, N.S.

Stanley & Levesque, Fredericton

DARIUS LEUT HUTTERIAN CHURCH

Question No. 4,821—**Mr. Neil:**

Was there a write-off of income tax owing by the Saskatchewan Darius Leut Hutterian Church colony of (a) Arm River (b) Downey Lake (c) Estuary (d) Fort Pitt (e) Hillcrest (f) Hillsvale (g) Hodgeville (h) Lakeview (*i*) Leask (j) Ponteix (k) Riverview (l) Simmie (m) West Bench and, if so, in what amount?

Hon. Pierre Bussières (Minister of National Revenue): There was no write-off of income tax owing by the Saskatchewan Darius Leut Hutterite Church Colonies cited in the question.

A remission of federal income tax was approved by the Treasury Board of Canada under the authority of Section 17 of the Financial Administration Act, to the Darius Leut Group of Hutterite colonies. The amounts were remitted under order in council P.C. 1981-767, dated March 19, 1981 and promulgated in the *Canada Gazette*, Part II, Vol. 115, No. 7, Registration SI/81-56 dated April 8, 1981. The order implemented a negotiated settlement with the colonies of the Darius Leut Group and remitted federal income tax payable for the 1967 to 1976 taxation years by the colonies of that Group.

The amount of the remission in respect of colony represented the difference between the amounts of income tax assessed that colony for the taxation years 1967 to 1976 and the amount of income tax that would have been payable by the colony for the taxation years 1967 to 1976 if the tax had been assessed against each member of that colony on the basis that the income of the colony was the aggregate personal income of all the members of the colony.

The amounts remitted for the colonies cited in the question are:

Name of Colony	Tax & Interest Remitted Taxation Years 1967 to 1976
(a) Arm River	$641,844.54
(b) Downey Lake	628,550.69
(c) Estuary	156,181.22
(d) Fort Pitt	62,629.52
(e) Hillcrest	370,906.22
(f) Hillsvale	839,643.42
(g) Hodgeville	195,860.04
(h) Lakeview	240,760.66
(i) Leask	247,234.06
(j) Ponteix	117,899.29
(k) Riverview	685,762.67
(l) Simmie	366,448.76
(m) West Bench	32,960.90

AID AND DEVELOPMENT ORGANIZATION

Question No. 4,828—**Mr. Fretz:**

Does a new aid and development organization exist which offers technical assistance to third World Countries and is sponsored by the Department of External Affairs and, if so (a) what is it called (b) what are its detailed aims and objectives (c) what is its budget (d) was adequate legislation passed to authorize its creation?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): A new aid and development organization offering technical assistance to Third World countries and sponsored by the Department of External Affairs, does not exist. (a), (b), (c) and (d) Not applicable.

INCREASE IN CIVILIAN POSITIONS CFB GAGETOWN

Question No. 4,844—**Mr. Howie:**

Within the current fiscal year, have any permanent civilian positions been (a) added (b) deleted from the organization at CFB Gagetown, New Brunswick and, if so, how many?

Hon. J. Gilles Lamontagne (Minister of National Defence): (a) and (b) No.

DECREASE IN CIVILIAN POSITIONS CFB GAGETOWN

Question No. 4,845—**Mr. Howie:**

1. Are there any permanent civilian positions at CFB Gagetown being deleted from the organization within the next year and, if so, how many?

2. What would be the total annual payment in salaries for these positions in the next year, if they had been maintained?

Hon. J. Gilles Lamontagne (Minister of National Defence): 1. No. 2. Not applicable.

DND—STUDY OF CERTAIN CHEMICALS IN ANIMALS

Question No. 4,865—**Mr. McKinnon:**

1. Is the Defence Research Board spending $83,148 to study the fate of certain chemicals in rats, dogs and swine and, if so, for what reason?

2. Are the chemicals already in the rats, dogs and swine and (a) if so, how did they get there (b) if not, how is it planned to get them there and for what purpose?

Hon. J. Gilles Lamontagne (Minister of National Defence): 1. Yes. The Department of National Defence has given a contract for $83,148 to McGill University to carry out metabolic studies on the oxime HI-6 using mice, rats and swine.

2. The oxime HI-6 is almost the only compound discovered to date that shows promise for use in the treatment of the refractory nerve agent SOMAN as well as other nerve agent poisoning. The compound will be administered via intermuscular injection at doses approximating the therapeutic level. The intent is to prove that when HI-6 is metabolized no undesirable side effects are produced. No toxic or incapacitive effects are anticipated.

DUTIES AND TAXES ON CLOSED-CAPTIONING DECODERS

Question No. 4,871—**Mr. Beatty:**

1. Is there an import duty on closed-captioning decoders coming into Canada and, if so, what is the rate of duty?

2. Is there federal sales tax on closed-captioning decoders and, if so, what is the rate of tax?

Hon. Pierre Bussières (Minister of National Revenue): 1. Tariff item 48200-1 provides for "closed-captioning devices for attachment to television receiving sets", free of duty under all tariffs.

2. Closed-captioning decoders are subject to federal sales tax at the rate of 9 per cent. This tax is imposed on the manufacturer's sale price if the goods are manufactured in Canada or on the duty paid value if the goods are imported.

Order Paper Questions

FOREST RESEARCH CENTRE, VICTORIA, B.C.

Question No. 4,905—**Mr. Miller:**

1. Did the Minister of State for Economic Development receive communication from the Council of the City of Port Alberni, British Columbia, on May 3, 1983 or thereabouts requesting consideration of their city as a viable site for the proposed Forest Research Centre for Vancouver Island and, if so, was this request given due consideration in choosing a site for this facility?

2. Was the dire economic plight and traditional affiliation with the forest industry of such areas as Port Alberni given due consideration in the choice of location for the proposed expansion of forest research facilities on Vancouver Island?

Mr. Jim Peterson (Parliamentary Secretary to Minister of State for Economic Development and Minister of State for Science and Technology): In so far as the Ministry of State for Economic Development is concerned:

1 and 2. A telegram was received April 28, 1983; a reply acknowledging its receipt was forwarded May 5. No specific location needed to be considered as this project of $14 million to be undertaken under the Special Recovery Projects Program is only to expand and upgrade the existing research facilities of the Canadian Forestry Service's Pacific Research Centre in Victoria.

AID TO SRI LANKA

Question No. 4,957—**Mr. Blenkarn:**

1. In (a) 1976 (b) 1977 (c) 1978 (d) 1979 (e) 1980 (f) 1981 (g) 1982, what was the dollar value of aid given by the Government through the Canadian International Development Agency to Sri Lanka?

2. What major projects did Canada undertake through CIDA for and on behalf of Sri Lanka during this period?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): 1. See tables below.

2. Major projects undertaken in Sri Lanka during the period 1976-1982 comprise the following:

(i) Rainfed Agriculture: A $1.5 million grant to strengthen applied research and extension capability in the chena (shifting slash/burn/cultivation) area of the dryzone of Sri Lanka using Canadian technical assistance from Agriculture Canada. Duration is 1978-83.

(ii) Agriculture sector loan: A $10 million loan to increase agricultural production through a line of credit to provide Canadian equipment, materiel, and commodities. It included a $6 million allocation to the Mahaweli Irrigation and Land Settlement Scheme. Duration is 1977-83.

(iii) Maduru Oya reservoir complex: A loan of up to $77.1 million to assist Sri Lanka in the construction by a consortium of Canadian contractors of a rock fill dam and transbasin link canal designed to store sufficient water to irrigate 50,000 hectares of land. Duration is 1980-83. Canadian engineering services are provided for design and construction supervision under a grant of $8.5 million.

(iv) Project Preparation Units I and II: A grant of $5.5 million to provide Sri Lanka with appropriate Canadian exper-

tise to develop identified projects to a feasibility stage for international donor financing. Examples of such studies include: preparation of the Lower Uva Regional Development Master Plan; preparation of the Tea Master Plan; and advisory services to the ministries of Mahaweli Development, Industries, Housing, and Fisheries. Duration was 1978-83.

(v) Embilipitiya Paper Mill: A grant of $1.75 million to provide Canadian technical assistance to train mill management and staff in the management, operation, and maintenance of the National Paper Corporation's mill at Embilipitiya. Duration was 1976-80.

(vi) Commodities/fertilizer loan: A loan of $20 million for the provision of Canadian industrial raw materials and fertilizer to support agricultural and industrial production. Duration was 1978-82.

(vii) Potash grant: A grant of $30.5 million for the provision of Canadian potash fertilizer, and technical assistance for potash research. Duration 1981-84.

Disbursements made by CIDA on a Bilateral Basis to the Government of Sri Lanka

Fiscal Year	Disbursements ($000's)				Fiscal Year	Disbursements ($000's)			
	Grants	Loans	Food Aid	Total		Grants	Loans	Food Aid	Total
1975-76	602	2,986	4,778	8,366	1980-81	2,557	35,456	0	38,013
1976-77	1,214	8,067	9,564	18,845	1981-82	12,211	24,567	5,880	42,658
1977-78	875	7,037	9,123	17,035	1982-83*	7,916	28,516	10,000	46,432
1978-79	2,108	13,130	14,950	30,188					
1979-80	2,095	10,087	3,980	16,162					

*Final disbursement figures not yet available for FY 82-83.

Special Programs Branch Disbursements to Sri Lanka

Divisions	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Non-governmental organizations	264,135	175,573	222,177	156,672	202,681	66,209	255,738
Institutional co-operation and development services	—	—	—	—	154,000	441,727	254,003
Industrial co-operation	—	—	—	—	109,242	218,158	65,959
Management for change	—	—	—	—	—	—	—
International non-governmental organizations	—	—	—	—	—	100,000	—
Voluntary agricultural development aid	—	—	—	—	—	—	—

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if questions Nos. 4,788 and 4,849 could be made orders for returns, these returns would be tabled immediately.

Madam Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that questions Nos. 4,788 and 4,849 be deemed to have been made orders for return?

Some Hon. Members: Agreed.

[*Text*]

GRANTS TO PERFORMING ARTS

Question No. 4,788—**Mr. Howie:**

For (a) 1981 (b) 1982 (c) 1983 to date, what amount was paid to each theatre for the performing arts or resident company in Canada?

Return tabled.

TRANSFER AND EQUALIZATION PAYMENT PROGRAM

Question No. 4,849—**Mr. Howie:**

1. During each of the past five years, what amount, identified by program, was sent directly to the Province of New Brunswick?

2. For the same period, by year, what amount was given to each provincial Government under the transfer and equalization payment programs?

Return tabled.

[*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.

GOVERNMENT ORDERS

[*English*]

ATHLETIC CONTESTS AND EVENTS POOLS ACT

MEASURE TO PROVIDE GOVERNMENT OPERATED POOL SYSTEMS

The House resumed from Monday, June 27, 1983, consideration of Bill C-95, an Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, as reported (with amendments) from the Standing Committee on Communications and Culture; and Motion No. 3 (Mr. Reid, St. Catharines).

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in resuming the few remarks that I began to make yesterday evening, perhaps I could first remind Hon. Members of what the Secretary of State (Mr. Joyal) actually said at the conclusion of his remarks when introducing this Bill. He stated: "We already have many lotteries in the country and this is a very harmless one of entertainment for a worth while cause".

I wish to expand on those three items in considering Motion No. 3 that is before us and which, of course, relates to the possibility of specifically indicating that some funds will be devoted toward aiding the Olympic Games in the City of Calgary.

As the Minister indicated in his introductory remarks, there are many gambling or lottery-type functions in the country at the present time. I would only suggest that instead of the federal Government recklessly going ahead with the type of legislation that is now before us, it is time it reviewed what the functions of some of the lotteries really are.

Since the Minister has indicated that it is a harmless type of entertainment for a worth-while cause, let us see who actually buys these various forms of lottery tickets in the country today. Statistics show that two-thirds of those who participate in lotteries come from a group that would generally be regarded as the lower income group in our society. I categorically state that more than two-thirds of the total public buying lottery tickets come from families who have a household income of from zero to $30,000.

The Minister stated in his introductory remarks that the amount which these people pay out is comparatively small. He did state that one-third of 1 per cent of their total income is going into lotteries at the present time. It does not take long to determine that one-third of 1 per cent from a household income of $30,000 means $100 a year or $2 a week that a family is spending for virtually a worthless activity, the buying of lottery or other type of draw tickets. If we consider a household income of $20,000, they are then spending $66 per year on average.

One might ask about the worth-while cause. It should be made categorically clear that if it is a question of the federal Government providing a one-third contribution to help Calgary hold the Olympics, I do not believe there are many Members of the House who would oppose that aid. However, what Hon. Members and certainly my caucus is trying to indicate is that this approach is not the proper one to take. If the federal Government wishes to contribute roughly $125 million as one-third of the ongoing capital expenditure for the Calgary Olympics, then let us clearly identify that amount.

In regard to this type of sports pool, we must not lose sight of the fact that it requires an average of $100 million of primarily poor people's money at roughly $50 to $100 a year in order to produce a grant of $30 million. It does not take long to discover the ramifications of this legislation. The Minister has admitted that there are many lotteries, which means that there is a lot of competition. He does not admit, however, that rather than make money, this sports pool will probably lose colossal amounts of money when it comes on stream in an attempt to persuade the public to shift from whatever they are presently buying to buying this.

Mr. Paproski: $55 million.

Mr. Stevens: My colleague for Edmonton North (Mr. Paproski) indicates that the cost may be $55 million just to enter this field.

My main point is that assuming this sports pool is conducted correctly, which would truly be unique for the Government, it will have to sell almost $500 million worth of sports pool tickets before it can produce the one-third amount that it wants to give to the Calgary Olympics. What an unbelievably costly and unfair way to raise money. Since my time is limited, I wish to emphasize the fact that the Government is, in truth, following the path that has been repeatedly followed in history, that is, toward more and more irresponsibility.

For example, a book entitled "The Itch for Play" was published in 1962. It reviews the history of gambling in the world. It points out that in 1695 gambling in England became a tremendous craze. People from all over that country were attempting to get into some form of gambling. As we know, this eventually led to the South Sea Bubble where the Government set up, under the South Sea Act, a company that was designed to take over the entire national debt. In short, an utter disaster occurred in England during that period as a result of the Government aiding and abetting the gambling fever that was taking over the country. As we know, it eventually got so out of control that the Government had to pass criminal legislation preventing gambling in the future.

It was not until this Government, under the present emperor, that this trend was reversed and we began to legitimize gambling once again and encourage the frenzy that we are now perhaps witnessing in the country. What I am saying is that gambling is something that I do not feel is a desirable thing to be encouraging in our nation. In short, this federal Government should not be getting into the field.

• (1520)

If I may, I might conclude by putting on the record what the author of this book that I have in my hand defined as gambling:

> Gambling is an enchanting witchery. It is a disease of humankind requiring medical attention. It is an incorrigible evil in man. In short, it must be controlled.

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, I would ike to continue the general thrust and tone of comments offered by my hon. colleague, the Hon. Member for York-Peel (Mr. Stevens). I shall explain why it is that Members of this Party will not be supporting Bill C-95 in any form whatever pending a major change in the basic thrust of this legislation. This, of course, would invalidate the proposal.

At the same time we are today speaking to Motion No. 3, an amendment proposed by my colleague, the Hon. Member for St. Catharines (Mr. Reid), which would ensure that, should the sports pool go ahead, the funds will be clearly and solely

earmarked for the purposes of offsetting any projected deficit arising from the Calgary Olympics, as was the original intention of Loto Canada when it was established in 1976. It was established solely to meet any liability arising from the Olympics in Montreal which we know now approached a cost of $1 billion.

From my point of view I must say that I share the views expressed by many Members of this House that this Government appears to be bankrupt, not only financially but morally. I do not want to get into a debate of chance taking per se. I guess it is an accepted position in our country and it is part of our heritage that people have tossed for lots and taken chances in various types of games and taken chances in terms of advancing their own station in life through what we in this Party advocate, namely the free enterprise system.

I am not opposed to chance taking by individuals operating in a free society where they can afford to take such chances with their own money. But I am certainly opposed to a government which advocates and encourages chance taking by those in society who can least afford to. In that respect the thrust of this proposed legislation and the long-term consequences, far beyond the time when the Calgary Olympics are over and forgotten, of implementing the kind of legislation which says that by changing the Criminal Code the federal Government can essentially violate the law by all traditional standards, yet no one else can, reveals the moral bankruptcy of the Government opposite.

The Government talks about raising something like $100 million a year net for the purposes set out in the legislation. Four items to which these revenues are directed are fitness and amateur sport, arts and culture, medical and health research, and finally—and it is interesting that this is the final priority according to the order of items as set out in the legislation—support for the Calgary Olympics. One wonders why it is that the Calgary Olympics were not the sole purpose of presenting this legislation.

I have to suspect, as other Members in this House do, that the Government's game plan, in a manner of speaking, extends far beyond any suggestion that the Calgary Olympics might require a little help. The focus on helping to offset the cost of the Calgary Olympics is merely a red herring, a form of blackmail of this House, in order to justify a major change and is an example of more stupidity on the part of this Government. In fact, it will be disruptive of and counter to the whole social support system that we have established in this country.

From where does the Government think this $100 million a year is going to come, Mr. Speaker? The Government knows full well this money will come from the pockets of ordinary Canadians, largely speaking those who have been down and out most of their lives and are looking for that one chance in a lifetime to make it big. Those are the people having trouble putting food on the table for their children, meeting mortgage payments and so on. They are faced with unemployment, their businesses are going bankrupt, they are desperate. Yet they are the ones who will buy a football lottery ticket condoned by the federal Government. That just reveals the degree of moral bankruptcy which is so evident to so many Canadians when a government goes to great lengths to evolve a progressive income tax system with all kinds of deductions, exemptions and tax credits for those who need help the most, single parents, old age pensioners, people unemployed and those living on the welfare system.

Where do you think these people will go with their welfare cheques, Mr. Speaker, if every time they walk into a shopping centre, go to a sporting event or turn on a television set they are bombarded with a pitch for the new Canada sports pool promoted by our friend, the Hon. Member for Halifax (Mr. Regan), who thinks it is such a great idea? Where do you think the money is going to come from, Mr. Speaker? It will come from the pockets of those who need it. In that respect it is just merely a form of veiled and regressive taxation against the poor and down trodden in our society.

Where will the money go, Mr. Speaker? We know that no more than 30 per cent of it will go to the so-called good works which the Government has been advocating. I might add there are many other ways to raise money for these good works. Many of them should be legitimately funded but not by some phony windfall mechanism called a sport lottery.

In referring back to the record of Loto Canada for a moment, it is interesting to note that in the year 1977 Loto Canada took in $225 million of revenue of which only $3.7 million, or 1.6 per cent, went to promote fitness and amateur sport. Of the balance, $25 million went to advertising and promotion. The remainder went to wholesalers' commissions, prize money and the Olympic debt. If the prize money only amounts to about 30 per cent, it is obvious that a lot of this money will go down the tube in the form of unnecessary advertising, contracts and commissions to friends of the Liberal Party, nothing more. Let us be honest about it, it is nothing more than a blatant instrument of patronage.

Mr. Ian Howard, who was a great friend of the former Member for Skeena, happened to become chairman of the Loto Canada Corporation because of his Liberal connections. There is no other reason. He went around the country letting contracts to commission salesmen, to various companies, squandering public money merely as a means of exercising and administering patronage and leverage over many organizations and individuals in Canadian society and to reward those who had done favours for and served the Liberal Party. I make that statement as an allegation.

I suggest that what the Government is attempting to do here is to strip away the limited resources poor people have. This totally contradicts and invalidates the Family Allowance Program, the Child Tax Credit, welfare, UIC, and all of those programs of benefit to those Canadians who need them. The Government will grab the money and collect it in the form of a multimillion dollar fund which the Government calls just a mere game, a little fun on the side for Canadians. It will be promoted with red and white flags and stands and little Canadian Liberal logos in the corner of every piece of literature. Canadians are getting sick and tired of this kind of display, just as some Canadians will be sickened by that big,

ugly, garish display outside our Parliament buildings being put on as a big July 1 promotion merely to advance the causes of the Liberal Party.

• (1530)

It is high time Canadians realized what this is all about; it is a big political boondoggle on the part of the Liberal Government. It will not help Canadians by setting up yet another pool and by changing the Criminal Code to legalize gambling, while at the same time the RCMP will be entering into the gaming houses of the Chinese, who like to play fan-tan now and again, raiding church bingos and things like that. The Government abides by a double standard—one standard for the Government and another for the rest of us. It can do whatever it darn well pleases. The Government can advertise its lottery, doll it up and try to ram it down the throats of Canadians for its own selfish benefit. It is high time we put a stop to this.

What is wrong with encouraging volunteer organizations and medical causes to solicit funds under an income tax system which would allow Canadians the choice either to send money to the federal Government or to make contributions with a very healthy tax credit being extended to worthy causes? What is wrong with financing amateur sport, culture and medical research by getting people involved in direct participation, not by buying lottery tickets?

The Acting Speaker (Mr. Blaker): Order, please. The Chair will recognize the Hon. Member for Restigouche (Mr. Harquail) on a point of order.

Mr. Harquail: Mr. Speaker, the previous speaker made reference to Canada Day. I wonder if he could clarify for the House—

Mr. Taylor: That is not a point of order.

Mr. Harquail: Are you prepared to answer a question?

Mr. Siddon: I will answer a question.

The Acting Speaker (Mr. Blaker): Order, please. That was not a point of order. There are occasions on which the Chair will recognize an Hon. Member who seeks unanimous consent of the House in order to put a question. Is there unanimous consent for the Hon. Member for Restigouche to put a question?

Some Hon. Members: Agreed.

Mr. Harquail: Mr. Speaker, in his excitement and rhetoric the Hon. Member made reference to the Canada Day celebration taking place only in Ottawa. I wonder whether he would like to clarify that Canadians in British Columbia, the Province which he represents, will be acknowledging and celebrating Canada Day on July 1 in the usual manner in which we all celebrate this important occasion?

Mr. Siddon: Mr. Speaker, when I was much younger I used to attend parades, stand with pride at attention when our national anthem, "O Canada", was played, and watch the bands marching by. There were many functions put on by community organizations. They continue to sponsor such activities. In my constituency this year I will be riding in a parade with my children. The local community association will be putting on these functions. But it is a sign of the decadence in the country when the federal Government feels that the only way we can promote a sense of national pride is by throwing millions and millions of dollars worth of fireworks up in the air and by building grandiose backdrops in front of the Houses of Parliament. Indeed they are garish and contrary to the nature of our surroundings here.

To answer the Hon. Member for Restigouche (Mr. Harquail), Canadian identity and the celebration on July 1, whether we call it Canada Day or Dominion Day, is something which comes from the hearts and roots of Canadians. It is not something the Liberal Party can buy with any amount of money or grand displays.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I want to participate in this particular stage of the proceedings because I think the amendment of the Hon. Member for St. Catharines (Mr. Reid) allows us to target in one of the important issues in this piece of legislation.

It has been maintained by spokespeople on behalf of the Government that this legislation is absolutely essential for the Calgary Winter Olympics which will be held in 1988 and that without this legislation federal funding will not be forthcoming. That is the essence of the position taken by the Government. It calls, that tune with a sense of déjà vu in terms of the last time we were called upon to establish a lottery or gambling in the name of the federal Government to deal with the Montreal Olympics.

Therefore I think the motion of my colleague is a very appropriate one. He is giving the Government the opportunity to establish its little lottery or game on a national front, with all the signals it will send out to the people of the country, particularly our youth. It allows the Government to bankroll the Calgary Olympics and specifically indicates that when the Olympics have been dealt with and the contribution of the federal Government to the Olympics has been completed, the lottery will be null and void and have no further consequences. What could be more reasonable than that proposition?

I would like to ask rhetorically what kind of priorities there are in a government which, in the dying days of this part of the session, brings forward a Bill to deal with sports pools? When we have unprecedented unemployment and unemployment among youth and students of the country has reached record proportions, what kind of political philosophy would be behind a government which sets as its priority a Bill to create a national lottery? We have to ask ourselves these questions. If all the energy, attention and dedication of the Government were directed toward job creation for the youth of Canada, what would be the result? They are now resigned to holding demonstrations in cities and towns across the country.

When I return to Saskatoon for the summer recess, the students of the University of Saskatchewan are dedicating a full day on July 6 to the problems of employable students who are unable to find work to sustain themselves and to pay their tuition fees. What will I say to these young people who are really hurting? Will I be able to say that in the last days before the recess Parliament tried to grapple with their problems? No, I will have to say that the Government's priority was to set up a form of lottery or sports pool to ensure that Martin O'Connell, executive assistant to the Prime Minister (Mr. Trudeau) and former Minister of Labour, a well known Liberal, receives a very substantial fee. He will not have any worry with respect to employment; he will be doing quite all right. What about Goldfarb Associates, well known Liberal pollsters? This outfit will receive an enormous amount of money. There will be no unemployment worries for the people who work for that Liberal advertising agency. What can I say to the students of Saskatoon?

I see some Ministers sitting in the Chamber this afternoon who have responsibility to give answers respecting the policy of the Government. I ask them what I should say when I return to my constituency. The Minister of National Health and Welfare (Miss Bégin) in particular should understand my dilemma. The Government is so devoid of policy that it brings in a piece of legislation which in effect puts a tax on the poor of the country, those people who can least afford to pay. This is what a lottery is all about.

I do not want to wear my morals on my sleeve or take a sanctimonious approach. Those of us who are interested in politics and serve in the House of Commons know, in terms of an absolute political principle, that what is being done on a national level—granted, it was the Government of which I had the honour to be a part that got out of the lottery business—is that Canadians are being told it is okay to tax the poor of the nation. They are the ones who will be paying the sum and substance of the Bill. Hon. Members on the Government side know this. In their heart of hearts they know that these people will put more money, in proportion to their incomes, into this kind of investment and cannot afford it. It is an absoluely reprehensible position for the Government to take.

What are the figures? Ticket purchasing in Canada averages $42 per year for every man, woman and child. As a nation we pay out $1 billion annually for the chance to win.

Mr. Evans: Tell your Premier.

Mr. Hnatyshyn: I live in the riding of the Hon. Member for Ottawa Centre (Mr. Evans) when I am here. Let me tell him that I am disappointed with him. Of course I will tell Premier Grant Devine. That is a position I take, no matter whether it is the federal Government or the provincial Government. I do not need any lecture from the Hon. Member for Ottawa Centre, who has changed his position in anticipation of a Cabinet post. He will stand in his place, representing an area where there is high unemployment, and in order to get a Cabinet position he would say "Ready, aye, ready". He is not prepared to question something which is morally wrong. That is what is wrong with this Bill. If he would rise in his place and make a speech on this, we might be able to decide what his position is.

• (1540)

This is a very serious question I want to pose. I want to bring out some logic for Government backbenchers who know in their heart of hearts, to quote their philosophical hero, Senator Barry Goldwater, that this legislation is wrong-headed. Quite frankly, it gives the people of Canada very little expectation in return. The best odds in a national lottery in Canada are something like 600,000 to 1. That is the best odds a Canadian has in winning a lottery. This gives some idea of the expectations some people have.

We can spend our money and dream our dreams. Those buying lottery tickets are entitled to do that. I acknowledge that the Provinces have enough lotteries. The Provinces now have the jurisdiction, so why is the federal Government getting into this? What is the crying need that the federal Government sees whereby it must spend valuable time at end of June to bring forward as its priority a sports lottery Bill? I cannot understand it.

Yesterday I pointed out that in another forum, the Superior Court of Quebec, the Attorney General, speaking on behalf of the Government, made representations for an injunction to prevent the Hockey Select program from going forward in Quebec. What was the rationale? By taking this action the provincial Government was undermining the morals of the people of the Province of Quebec because it was carrying on functions clearly prohibited under our criminal law. Why does the Government take that position in one forum, the Province of Quebec, and then come here and tell us this is one of its priorities?

I want to address this Bill again. I will have another opportunity to do so. I have not yet had the opportunity to get my full message across. However, I do want to say one thing. The real irony of this particular enterprise—I am making my prognostication now, and I will give you ten to one, Mr. Speaker—is that this project is going to fail. Look what happened to Hockey Sélect. It has been pointed out that in the Province of Quebec it started off on November 30, 1982 with a high of $136,144 on a weekly gross, dropped to $70,000 in January and $40,000 in February. It is going downhill. People are not buying this kind of version of a sports pool which is very similar to what is being presented to us as a sports pool for all of Canada. It will fail. They young people of Canada want to know about jobs. They want to know about their future. They want to know what they can expect in this country. Therefore, we should be ashamed of ourselves for spending these last few valuable hours debating the creation of a sports pool. The Ministers of the Crown should be the most ashamed of all.

Mr. John Bosley (Don Valley West): Mr. Speaker, it is always a privilege to follow my colleague for Saskatoon West (Mr. Hnatyshyn). He spoke eloquently on this matter. With regard to motion No. 3 and Bill C-95, I want to tell the Hon. Member for Ottawa Centre (Mr. Evans) that his laughter and

comments about the previous speaker's words suggest to me that an allegation I have heard before about some Members of the Liberal Party, that they want to be the defenders of the rich, may be true. To suggest that the poor do not pay for the lotteries, to laugh at that suggestion when the facts speak clearly, particularly a Member who prides himself on facts, indicates that the Member wants to be part of a lot of political hypocrisy, trying to pretend that something is being done for Canadians when what is being done through this Bill to Canadians is something dreadful.

I am going to speak very briefly on the evidence that was placed before the committee when we dealt with this proposal. I noted in reading yesterday's *Hansard* that the Minister who was then responsible for this matter at one point interjected and asked an Hon. Member from Edmonton a question. He asked whether Members knew that the commitment to this pool was a condition of Olympics approval, a condition of going to Baden-Baden and asking them to approve the Calgary Olympics. That was the utter and total misrepresentation of the facts.

The simplest way to say that to Canadians is to ask whether anyone on an international Olympics committee would have approved awarding the Games to a country if that country had said to the committee it would only assist if it could get a lottery approved in its House of Commons. Would anybody internationally have believed that? The fact is we made no such claim. We said that the Olympics were important to Canada, and they are. We said we wanted them in Canada, and we do. We said we would finance them out of our existing arrangements. That is what we said. That is precisely the arrangement that Members opposite know was made in order to get the federal Government out of the lottery business and produce revenues for the federal Government.

Let me also say in response to the interjections of the Hon. Member opposite exactly the same thing which the Hon. Member for Saskatoon West said. What is reprehensible about lotteries run by governments is that they are run by governments. It does not matter whether the government is provincial or federal. What is reprehensible is not that someone is asked to buy a ticket or take a chance, but that a government of this country would say to Canadians that the way to do well is to gamble on a get-rich-quick scheme on which the odds are 100 times higher than being struck by lightning.

That is the philosophy of "getting ahead" which the Government of Canada proposes to reintroduce to the citizens of Canada as the means to succeed. It is not to work hard, to struggle or save but to buy a ticket on a government-run lottery. That proposal is what underlies all of the advertising of Loto Canada and all of the advertising behind provincially-run lotteries. It is the morality of saying to Canadians that the way to succeed is to take a 600,000 to one chance with that $10 ticket. That puts into the heads of Canadians that that is the way to succeed. The very suggestion that we should espouse that view is wrong.

The Government says it is only doing this for Calgary. It says it is absolutely essential if we are going to support the Olympics we all want. It is not going to honour the commitment made in the beginning, but it has a new commitment called the athletic contests Bill.

The reason for motion No. 3 is quite simply that the Ministers responsible for this Bill have used that argument across the breadth of this land. If that is the argument for this Bill in the mind of this Government, then let the Government by its vote say that the purpose of this Bill is to fund the Calgary Olympics. The Bill itself does not say that. It says the revenues will be raised any darn way the Government wants through whatever amendments, regulations or orders in councils it wants, and ultimately will be spent on anything the Government wants. That is what the Bill says. It does not say anywhere that the moneys are restricted to the Calgary Olympics. The Government gives an undertaking that it will consider spending some of the money.

When we asked in committee what happened to the share of the moneys now coming to the Government from lotteries, 50 per cent of which were to go to amateur sports and fitness and 50 per cent to culture, when we asked what had the 50 per cent support been and what had it been spent on, the answers were: "We have no idea, we don't know". That was the defence of the moneys that the poor have already contributed through lotteries to amateur sports. No one knew. Now, we as Parliamentarians are being asked to tell Canadians, "Just trust us. We will do it right just as we did with Canadair and de Havilland and, so far as the people opposite are concerned, just as we have done everything right."

• (1550)

Let us be clear, Mr. Speaker, that what we are dealing with is the Calgary Olympics. A great number of volunteers are being used by the Government of Canada to justify having the Government of Canada get back into Government-run gaming. That is what is happening. I suggest to you, Mr. Speaker, that if someone came into the House and said to the Government of Canada: "I will give you $200 million to fund the Calgary Olympics," the Government of Canada would say: "Thank you, but we still need this Bill and we will now say that we need the money for the other things that are in the Bill". It would then use medical research or cultural communities as its whipping boys because it is not the purpose of the Government, Mr. Speaker, to pay for those things. It is the purpose of the Government of Canada to tax the poor in order to have more money to give away to its friends.

As everybody who has studied lotteries knows, something less than one-third of the funds that are raised through lotteries ever find their way to the charities they are supposed to help. That was the evidence that was presented to the committee which the Liberal Members chose to ignore.

Some day I hope to be able to stand in my place and say; "Thank God, finally every government in the country has stopped trying to skim taxes through lotteries." I do not know whether I will ever be able to say that, but I hope and pray that I will, Mr. Speaker. The reason I hope that is not only because there is an incredible amount of hypocrisy and, in my

view, untruths being told about the purposes behind this Bill. The reason, Mr. Speaker, is because it must be clear to all Members, particularly to the Hon. Member for Ottawa Centre who prides himself on being an economist, that the whole idea of raising taxes through lotteries and through corporations that are not accountable to the Auditor General is wrong. The whole idea of creating spending programs that Paliament never sees in order to create situations for responsible officials to say to Parliamentarians "We do not know where the money went", is wrong. Surely the Member for Ottawa Centre and his backbench colleagues know that every single principle of decency and of good government indicates that the whole idea behind this Bill is wrong.

The Acting Speaker (Mr. Blaker): May I point out to Hon. Members that debate is still continuing on motion No. 3, and of course there remains the matter of debate on motion No. 4 which the House will wish to dispose of. The Hon. Member for Fraser Valley West (Mr. Wenman) on motion No. 3.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, we are speaking today about the distribution of funds. We are speaking about those who in fact will benefit from the funds and those who in fact will pay for the funds. In speaking to this particular motion, I think it is appropriate at this stage to remember that an idea has been presented in the form of the entire Bill and its individual parts. It has been discussed and debated in principle and in detail in committee, and now today we are discussing the beneficiary section.

I know from my experience of previous Olympics and from my political experience that the naming of beneficiaries in this Clause is only the broad title. The real beneficiaries of this Bill will be public relations companies and the media. We can be sure that a large portion of any moneys raised and given to this body or other bodies for this particular event will go to public relations firms and the media.

Another big chunk of the money will go to contractors, and again another big chunk of the money will go to bureaucracies. Another big chunk of the money will perhaps be used to exchange moneys from one level of government to another, because if this particular Bill is not passed, it means that a grant of some kind will have to be provided by the federal Government to the Government of Alberta as its share of the cost. It is another way of raising money to be transferred from one Government to another.

Hopefully there will be another beneficiary. A small pittance, perhaps, will in fact reach the level of the athlete who will perform and participate in the Olympics. Unfortunately, the first to deserve will probably be the last to receive, and probably the last to receive will receive the least, and that is in fact those same athletes.

Clause 3 of this Bill, Mr. Speaker, talks about the funding of the Olympics in Calgary. What are the Olympics in Calgary? I hope that we are directing this particular funding and perhaps additional funding from other levels of government to the Calgary Olympics for more than just buildings, contractors, bureaucracies and administration. I think a test of this Bill is whether or not a good chunk of this money will be directed toward upholding the spirit of the Olympics.

In the spirit of the Olympics, I would hope to see some of this money transferred directly to the athletes.

What are the Olympics? The Olympics are athletes in the pursuit of excellence. Because it is a competitive pursuit of excellence, our athletes will be measured against those of other nations. We will not be measured by the size of the buildings. We will not be measured by the nature of the contracts. Canada's spirit and pursuit of excellence will be measured instead by the quality and the performance of our athletes and the relationship between our athletes and the athletes of the world.

This money needs to be directed not only to Calgary, to buildings, to contractors, but also to people, to individuals who are and will be the athletes. It is, of course, too late for that now because one does not travel across the country and identify an athlete this week and tell him that next month he will participate in the Olympics. The identification process is a process that is beginning now for the next Olympics that Canada will participate in, and not only the next Olympics but the Olympics after that. It is beginning not only with the Summer Olympics but the Winter Olympics and all of the Olympics. To create a body of sport in Canada, we must begin now to identify those who can pursue this excellence and represent our country. They must be identified at an early age.

I have heard no talk of money set aside for the identification of athletes. I hope that when the Minister stands up to speak on this Bill, he will talk about athletes, how this measure will affect athletes and how the money will help in the identification of athletes. For too many years we have failed to identify our athletes early enough to begin the training that is needed to instil in them the desire for the pursuit of excellence that will find them successful. Their success, the symbol and example of Canadian youth, strength and courage, will establish the desire of other young Canadians to pursue and obtain success and to represent their nation in this and other competitions that will come in the future.

These athletes must be identified at a very young, formative stage as muscles and minds are growing. So often people see competing at the Olympics as simply a physical activity. Competing at the Olympics is a physical activity, a mental activity, a nationalistic activity, and to be successful, a strong development of all of faculties is needed.

• (1600)

Those who strive for this excellence are not only striving for some physical achievement. By the time they reach the Olympics or that standard of training, it is a matter of the training of mind over body—mind and body united in a desire to find excellence, to be the best in Canada, the best in the world, to uphold our country and its image abroad. This requires not just an attitude of physical and mental competititon but an attitude of friendship that is developed throughout the competition.

Athletes do not compete just once, in Calgary. They compete through a development stage. Unfortunately, in Canada that will not occur because we will direct very little money in that direction. We are not going to identify athletes, let alone begin a development program. How can you have a development program if you have no coach, no professional who can travel around? If you identify a coach but leave him sitting in Ottawa instead of travelling around the country to schools and track meets, swim meets or whatever to find and develop athletes, the development program will not take place.

This is a chicken and egg argument. There is the identification and then the development of the athlete. Not only do you have development of the athlete but there is the maintenance of the athlete. They cannot be maintained for just the three months of the competition. Ahtletes have to be maintained over a period of 15 or 20 years if we are to achieve the excellence for which we strive.

I do not think the Bill is going to do this, Mr. Speaker, and I do not think the House of Commons is going to do it. I have not heard the spirit of the Olympics mentioned in this debate. I have not heard the Minister express his concern that Canada has the capacity for excellence. We have the young athletes with the desire, the talent and the ability, but they are starving, living together in welfare clutches. Yet they are called upon to produce excellence of spirit and mind and body. None of these things has been developed, Mr. Speaker. Like everyone else, these young atheletes need jobs. They need jobs that are flexible and that will allow them to travel.

I feel very strongly about this subject, Mr. Speaker. I have lived through this with athletes. I know they have to make sacrifices of mind, body, spirit—and financial sacrifices. They give their country more than they receive and it is about time they were supported properly and financially, not by a lottery but by a commitment of the Government of Canada.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mr. Blaker): All those opposed to the motion 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:

Athletic Contests and Events Pools Act

The Acting Speaker (Mr. Blaker): Pursuant to Standing Order 79, the recorded division on the proposed motion stands deferred.

Mr. Joe Reid (St. Catharines) moved:

Motion No. 4.

That Bill C-95, An Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, be amended in Clause 21 by striking out lines 15 to 43 at page 9 and substituting the following therefor:

"each year by the Auditor General of Canada."

He said: Mr. Speaker, "Some of you may wonder", the Minister said in committee, "how the Canadian Sports Pool Corporation will be accountable". That is the subject of this motion. He went on to point out that the operations of the Canadian Sports Pool would be monitored, and that it would have to submit to the Minister responsible and to the Governor in Council a plan of corporate and fiscal activities.

Hon. Members are all well aware of the scandals that plagued Loto Canada's life. The Canadian public will never know the half of what porkbarrel purposes their money was put to. Yet Loto Canada was subject to monitoring by the Minister responsible, and it was subject to audits of sorts.

Recently in this House we discussed at length the involvement of four Ministers of the Crown in connection with the Gillespie affair. We have the report as contained in the *Richmond News* as early as September 23, 1981, of the interest of another Liberal put out to pasture by the electorate of B.C. who thinks he will have the inside track for the supply and delivery of the hard computer equipment necessary. The name is Cafik and it was included in the press report.

The name of the biggest game in town so far as this Government is concerned is patronage, and Loto Canada gave full opportunity for much of that. To give some credibility to a game of chance, we propose that the books of this Crown corporation be subject to an annual audit by the Auditor General of Canada. The Auditor General might then review the systems of control and accountability, and provide some check on the ticket distribution and the revenue returns. The Auditor General himself in a recent statement has emphasized that the 306 Crown corporations form a sort of sub-parliamentary group with parliamentary scrutiny ranging from sporadic to none at all.

This has been the experience with respect to Crown corporations already in existence. We have been opposed to the introduction of more Crown corporations but this Bill proposes to establish another Crown corporation to run a gambling game. This is the history of monitoring by the Minister responsible and the kind of accountability that has been put in place by this Government. With this kind of track record and with the kind of corporation that could lend itself to abuse, we should do all we can to protect the gambling dollars of Canadians. The odds against them are bad enough without making those odds worse by human abuse and error.

In moving this motion, seconded by the Hon. Member for Brampton-Georgetown (Mr. McDermid), this Party recognizes the desirability of engaging a competent, responsible auditor who will be required to report to the House, someone who has done so with a great deal of honesty, clarity, conciseness and sincerity. That is the only kind of auditor we should have for a games corporation as envisaged by this Bill, and we urge the passage of this motion.

• (1610)

The Acting Speaker (Mrs. Appolloni): The Hon. Member for Brampton-Georgetown (Mr. McDermid).

Mr. John McDermid (Brampton-Georgetown): Thank you, Madam Speaker, and congratulations on your lofty promotion to the Chair!

I wish to participate in this part of the debate to express the concern which we in the backbenches have as we are examining costs and expenditures of various departments and, in particular, Crown corporations. We are time after time frustrated in our examination of expenditures of Crown corporations in their business dealings. I remember the time I was at a committee where we were examining the expenditures of Petro-Canada. Its then executive vice-president, Joel Bell, was in attendance, together with the president, Mr. Hopper. They answered the questions they wanted to answer. They would not answer questions that perhaps touched on sensitive issues which might expose the corporation, and what it was up to in some of the areas which were questionable at best.

Therefore, we feel very strongly that if we are going to set up a "numbers racket" game, it must be examined very carefully. We cannot think of anyone who is better qualified, who will level with the Canadian people more, than the Auditor General. Unfortunately, the experience of auditing firms over the last few months has been disappointing. One firm which audited the books of Canadair somewhere along the line missed some of the expenditures. That is a shame because that casts a bad light on the accounting profession. Certainly, these people being human, Madam Speaker, mistakes are made. However, in dealing with money which is being used for gambling purposes, we want to ensure that if the Government rams this ill-conceived idea through this House, in fact this corporation is audited very carefully by the Auditor General. We can then take a look at the types of expenditures which are being made.

We were given a list of people who have already received money, but we have no idea on what they spent the money. The only reference is to "research". What kind of research was done? Was it research to find out who buys lottery tickets, or where the money comes from? Was polling done to find out if a numbers game is the most popular type of game? Would a numbers game sell in this country? Would the public buy the tickets? Would anyone have won the other night if this type of ticket was sold on a baseball game? Who would have ever guessed that the Toronto Blue Jays would have won 19-7? There is no way under the sun that anyone would have guessed who would win that game.

According to the list, there is money spent for ticket design and production. Three organizations received money for ticket design and production. We have not seen any of this, although I must say that my colleague, the Hon. Member from Oakville, one day magically produced a "numbers racket" ticket which the Minister denied he had anything to do with. However, we found out later on it was in fact from a group of people who were working on the sports pool development.

We would like to know, for example, where Loto Canada spent the $10.4 million in 1977-78 on advertising. Of course, one of those fine Liberal advertising firms picked themselves up a cool $1.5 million that year. The next year they picked themselves up a cool $1.8 million on $13,139,000 spent on advertising. We want to know the breakdown of that advertising expenditure. Why, for example, would $40 million be spent in advertising promotion and administration in order to give away $123 million? The financing on this is horrendous. Why would it one year cost $3 million to print tickets and the next year $8 million to print tickets, and the net receipts went down from the year before? It just does not make sense. Why does it cost in year two of full operation of a lottery twice as much for furniture as it did in year one? We do not receive these answers. Why does market research in year two cost twice as much as it does in year one? Why are net expenses of draws three times as much in the second year as in the complete year one? Why did salaries increase from $2.5 million to $3.3 million year over year? We do not know these answers. They have not been explained to us. We want to make sure that an auditor does examine expenses such as this and reports to the House of Commons so that we will be able intelligently to question the Minister responsible for this particular Crown corporation when his or her estimates come before the committee.

I must say, Madam Speaker, that I am very disappointed in the Government, which has not seen fit over the last two days of debate in the report stage to put up one speaker. It puts up the odd heckler like the Hon. Member for Ottawa Centre (Mr. Evans), but it does not put up one speaker in the entire debate. That is a shameful display of the responsibility of Liberal Members of Parliament. I know that many of them, in speaking to them privately, feel exactly the same way we do on this side of the House. They are very concerned about the set up of this corporation and about the accountability of these people responsible for the administration of those funds to Members of Parliament. Therefore my colleague, the Hon. Member for St. Catharines (Mr. Reid), has moved, and I am very proud to second, a motion to change that particular clause in Bill C-95, Clause 21, by striking out lines 15 to 43, which go through a great deal of rigmarole as to who can and who cannot audit the books. That will make it very simple. It will simplify the legislation. I know the Canadian people themselves would have far more confidence if in fact this particular motion was accepted by all present. Each year the Auditor General of Canada would do the audit and present that audit to the House of Commons.

Therefore, it is with great pleasure that I second the motion and request that the Government support motion No. 4.

Mr. Otto Jelinek (Halton): Mr. Speaker, I would just like to make a few comments on Bill C-95 in respect to the sports pool and motion No. 4 moved by my colleague in respect to the Auditor General taking over the accountability of this sports pool program. In fact, I would hope that Parliament would see fit to study the possibility of the Auditor General being accountable to this House for all Government agencies and Crown corporations, and therefore to the Canadian public.

At the outset, I would like to say that this sports pool is nothing more than an indirect taxation by devious ways and means. It is an underhanded way of collecting money from the Canadian public because the Government has failed in its responsibility time and time again to collect it by normal means. I would like to mention three examples of the devious ways in which this Government has handled the situation from the outset. On June 26, 1981 I asked a question of the then Minister responsible for fitness and amateur sport, and I will quote my whole question because it puts this whole sports pool into perspective. I said:

• (1620)

Madam Speaker, my question is directed to the minister of fitness and amateur sport. When the original Olympic lottery was introduced in order to defray the costs of the Montreal Olympics, the Liberal Government at that time gave Canadians and the House its assurances that no further lotteries or gambling operations would be initiated. That promise, as the minister knows, has already been broken. It has now come to my attention that the minister is well on his way to extending federal gambling programs to what is known as all-sports betting, in other words, reducing the Government to the status of bookies for betting on hockey games, football games and so on. Without once again copping out by giving a stock answer blaming the previous Government, can the minister confirm or deny whether his Government is contemplating such action?

The Minister's response was:

I would inform the Hon. Member that the Government has no such plans. We do not contemplate any such scheme as the Hon. Member has mentioned.

Three days later, Mr. Speaker, I produced a sample of a sports pool ticket in this House and showed it to the Minister. He had to agree that they were studying some form of gambling operation but he was not sure whether that was it and he in fact had not seen that ticket. So the Minister was either deliberately misleading the House three days earlier, or he was totally ignorant of what went on in his own Department.

To show you the devious ways and means this Government has used to handle this situation from the beginning, less than three months later, on September 14, that same Minister announced very proudly that the federal Government, the Liberals, were going to introduce a sports pool betting scheme along the lines I suggested he was planning less than three months earlier when he denied it. That is why I call it devious ways and means.

Point number two, Mr. Speaker, is advertising. We have talked about the cost of advertising sports pools and gambling operations by this Government, but there is also misleading advertising. I take you back to December 6, 1976, when I informed the then Minister of Consumer and Corporate Affairs, Mr. Abbott, that the ads for Loto Canada at that time were so misleading that a Canadian is twice as likely to be hit by lightning than he is to win $1 million in that gambling operation. The Minister said that he agreed there was excessive and misleading use of advertising. He said it was exaggerated optimism. He also said that he did not plan to get tough about the ads even though he considered them inappropriate, unfair and in bad taste. He said that while he did not think the ads were misleading, they tend to raise expectations in the public mind which are unjustified. He was then removed from that position and we never heard any further about any changes made in that regard. Again, an example of devious ways and means of promoting federal gambling operations.

A third point, which is probably the most important and comes to the root of this whole problem, is that lottery operations were agreed to by Parliament to defray the cost of the Montreal Olympics in 1976. There was a lot of debate about this and we received all kinds of assurances from the Liberal Government that once those costs were defrayed there would no longer be any attempt by the Liberal administration or Parliament to bring in gambling operations under sports pools or lotteries or any such nonsense. Those were outright lies by the Government at that time because, as you know, Mr. Speaker, the lottery defrayed the cost of the Montreal Olympics but then the name was changed to Loto Canada and the rest is history.

When Hon. Members opposite say that we on this side do not care about helping the arts and amateur athletes, that is the furthest from the truth. As a former athlete I support anything which can be done to help amateur athletes in this country. But certainly not by establishing the phony, sleazy programs the Government is talking about which would be taking advantage primarily of the poor people of this nation, and then misleading them with false and misleading advertising.

There are other ways to help amateur athletes in this country other than through lotteries and sports pools or indeed even large Government grants. First we should try to expand sponsorship by the private sector of amateur sports programs and the arts. We could expand the development fees which the NHL is now paying towards the development of junior hockey players. That makes sense. But we are not going far enough. What about figure skaters, as I once was? I spent all my time learning that sport in this country. Today the federal Government is subsidizing Sports Canada, rightly so, for the development of figure skaters and other sports, but then the cream of the figure skaters are taken away by foreign professional ice shows which do not give anything back to the taxpayer in this country to develop figure skaters. Surely there is a golden opportunity for this Parliament to go to the Ice Capades, Holiday on Ice and Ice Follies and say that every time they hire one of our skaters trained here in Canada, surely they must pay something back. The same thing is true in tennis and other professional sports.

These are just some of the ways and means of correcting the existing problem, whether it is on an ongoing basis for fitness and amateur sports, or specifically, as motion No. 3 stated, that there should be funding for the Calgary Olympics.

In closing, Mr. Speaker, I just want to reiterate my total opposition to any type of lottery or sports pool. I think it is degrading, downgrading and certainly not in the spirit of athletic sports and the Olympics. If I had more time I could expand on the many recommendations available to this Parliament and the Government in order to assist the arts and amateur sports in general.

Mr. Jim Fulton (Skeena): Mr. Speaker, I will try and keep my comments fairly brief, but I cannot help but get involved to a certain extent in this debate. It is important because it involves one of the most important activities in this country, the field of Olympic athletics. I cannot help but recall that it was not too long ago that one of the Ministers on that side of the House got up and was trying to tell Members on this side of the House that this proposed sports pool had something to do with skill. I cannot recall quite how he put it but he was trying to tell us that there was some kind of skill involved in winning these sports pools.

Mr. Mayer: Anything that the Liberals do does not involve skill.

Mr. Fulton: Let me make it quite clear that I find the whole Bill quite immoral and improper, and I am confident all Members on this side, and I would hope a few on that side, will vote against it. To try and mix this legislation with the kind of ahtletics we are talking about here, which involve skills—it takes a whole lifetime to try and become an Olympic athlete—with the sort of Las Vegas type atmosphere which is associated with this legislation, I think is quite wrong.

Let me deal for a moment with Clause 21 of this Bill, which I think all Members of this House have to reflect on carefully and support; that is, to have the Auditor General do an annual audit of the books of this kind of operation. If Government Members see fit to vote it through, the morality of the legislation rests on the Government side alone because I think most Canadians will recognize it is not appropriate legislation for the Olympics or anything else.

On top of all that, for Government Members to get up and vote against an annual audit is wrong. I think the Hon. Member for Ottawa Centre (Mr. Evans), after wagging his tongue behind the curtains for so long, has the duty to Parliament to get up and give a speech on the points being raised in this House and as to why the Government feels so strongly that this legislation should go through. For example, Consolidated Computers, just one company, lost $125 million down the chute. The Government is trying to convince us and Canadians generally that it is responsible enough in setting up various Crown corporations. We all recognize that it cannot even run the computer side of it, and the sports pool is going to involve the use of computers. Therefore, we have a certain degree of alarm that another $100 million or more will be lost just on the computer side.

• (1630)

However, to go further—and other Hon. Members have touched on this—what about the amount of money which will be going into advertising? Are we discussing $1 million, $5 million or $10 million? It is very important that Hon. Members be apprised of this through the good offices of the Auditor General, who can dig into the books and ferret out, in a comprehensive way for the Members of the House, where the money is really going.

It is clear that all of us on this side of the House do not agree with the Bill to begin with, but we are requesting one of the very basic tenets. There is a responsibility on the Government side, that of the Minister of National Defence (Mr. Lamontagne) or one of the other Government Members who are here, to rise and tell us why they do not think an amendment such as this should be carried in the House. Why should there not be an audit? Why should the Canadian public not know whether only 10 cents or 15 cents out of every dollar is actually getting back to pay for what has been proposed, whether the Calgary Olympics, Olympic activities associated with it, or the training or transportation of athletes and coaches? There is a real responsibility which is being let down day after day in this particular Parliament.

Hon. Members on the Government side will rise and vote against amendments that I think would be supported by any Canadian who is stopped on the street and told: "Bill C-95 is the Sports Pool Bill. We do not know whether you agree with it or not but, in terms of just this one principle, do you think it should be audited by an accounting system that is approved by the Parliament of Canada, and that is through the Auditor General?" I am confident that all Canadians would agree with that.

Another point which has been touched on many times, one which Government Members must sit down for a moment to reflect upon, concerns where the money is coming from. It is easy enough to put up billboards and say: "We are setting up a sports pool to obtain money for athletes, for the Calgary Olympics and for other reasons". However, Hon. Members to my right have pointed out that studies not only in Canada but also in Japan and other areas of the world where there are lotteries and gambling of this type have proven time after time that to an overwhelming extent the money comes from poor people who are attempting to sort of bet against the odds of their lives. They are hoping that at some point $1 million or $500,000 or $100,000 will suddenly come to them. I think we all know that that is not how the world works. The Hon. Member who spoke previously pointed out that one is more likely to be struck by lightning riding a bicycle—

Mr. Mayer: Twice!

Mr. Fulton: —twice likely to be struck by lightning riding a bicycle across the Prairies, or for that matter standing here in

the Chamber, as one is likely to win $1 million in Loto Canada. I would encourage some Hon. Member from the Government side to rise now and tell us why, in terms of the present amendment to Clause 21 of Bill C-95, there should not be an annual audit by the Auditor General of Canada. I would like to hear why the Government would oppose that.

Mr. McDermid: There's not one person over there who can do it.

Mr. Jelinek: Mr. Minister, can you answer for the Government?

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, if the Government will not take up the challenge to explain to the Hon. Member for Skeena (Mr. Fulton), who made a very valid point, I will do my level best. I will put myself—

Mr. Cullen: Same old gang.

Mr. Hnatyshyn: —in the position, pardon the expression—and I get choked up whenever I think of the prospect—of being a supporter of the Liberal Government.

Some Hon. Members: Shame!

Mr. Hnatyshyn: I will try to put my mind into that of the backbencher and of the Government Member to try to explain to the Hon. Member for Skeena why the Government does not want this amendment to pass. It is a very simple proposition. It is because the Auditor General has a record and a history of disclosing expenditures which, in his estimation and according to the guidelines given to him as a person who reports directly to Parliament, constitute misuse of public funds.

A private accounting firm will not necessarily have that mandate. What will Price Waterhouse or Peat Marwick or any of these companies do in a normal audit? They will simply give a balance sheet to demonstrate what moneys have been received, what has been expended by way of expenses, without elaboration necessarily of the type of expenditure. For example—the Auditor General and Government Members will not like this because they will not think it very funny politically—the Auditor General will give an illustration, by way of expenditure, of the way in which the chairman of the sports pool organization conducts himself or herself in terms of personal amenities in that responsibility. He will undoubtedly point out that the chairman will have a chauffeur-driven, large automobile at his or her disposal while in Ottawa. He will point out that there will be a permanently paid up suite in an expensive Ottawa hotel available not only to the chairman but also to the members who are on the board.

Mr. Fulton: And all across the country.

Mr. Hnatyshyn: I do not pull these examples out of the air; I give an example of what transpired with Loto Canada. That was the lifestyle to which the people who were looking after the money extracted from the poor of our country, those who could not afford it, became accustomed and to which they felt they were entitled. When we came into Government and appointed Mr. Hamilton as chairman of Loto Canada, let me tell the House that he was met on his arrival in Ottawa by a chauffeur-driven Cadillac—

Mr. Mayer: A chauffeur in uniform.

Mr. Hnatyshyn: —in uniform, who also carried on responsibilities in a suite at a prominent local downtown hotel, permanently paid up. Those are the kinds of expenditures that would very likely be offensive. It would not sit well with Liberal supporters because it would be an awful thing if we had to bring this out into the public arena.

What else would we find out? We would possibly find out, by way of the Auditor General, that there are other expenditures which are offensive, such as the mode by which these people are travelling across the country. We would find out the precise percentage of money that is being expended from these funds for administrative purposes, quite contrary to the idea that we are supposed to be supporting out of the proceeds of these moneys worth-while, often charitable purposes, and admirable purposes, by way of seducing the people of Canada to support this lottery that is now coming forward, this gaming endeavour of the federal Government.

I was pleased to hear the representative of the New Democratic Party speaking out on behalf of his Party. I was concerned that the NDP was silent on the issue. As its Members come to meet and to redo the Regina manifesto, I think it is about time that they started thinking about their moral position with respect to the issues in this country. It is damn well time, and the people of Canada will be watching with some interest as they gather in Regina to rewrite and rethink their philosophy which has brought them to the heady level they now occupy today in the Gallup poll. However, I want to return to the subject.

When I was practising law, I had an opportunity to represent people who, to use the vernacular, were bookies. I had many clients who were in that trade, "turning book" as we say. I am concerned. I support this particular motion because I think the Government will give these people who turn book in Canada a bad name and lower their reputation. Damon Runyon of Canada could write stories and talk about these people. They were a very interesting group and basically nice people. However, they were breaking the law. Of course, that would not worry the Government of Canada; it is getting right in there.

Mr. Masters: Didn't worry you, did it?

Mr. Hnatyshyn: It will be going full steam ahead, breaking the law, moving ahead, changing the law. Let the Government of Canada do what these poor fellows who are trying to make an honourable living cannot do. They were a great bunch, actually very entertaining, nice people; but they were breaking the law and they needed the best defence they could get, so they consulted me. They had a number of devices. One of them was known as flashpaper. When they took down bets they used a type of paper which had an amazing capacity for incendiary activity on the slightest provocation. All of a sudden, if there were any visitors, such as officers of the law, who would come

on to the premises, this evidence would automatically disappear and be disposed of in what we called the toilet. What I am concerned about is that if the Government opposes the proposition put forward by my colleague, the Hon. Member for St. Catharines (Mr. Reid), we will have an accounting system which will be totally reliant on flashpaper.

• (1640)

The Auditor General will not be able to conduct a meaningful investigation of the expenditures and the kind of patronage games that might be played. On the basis of this legislation, the Government is entering into flash paper accounting. It is giving bookies a bad name. it will give the bookie, someone who is shunned in society, the wrong idea. Not only will they make money from booking, which is criminally wrong, but they will also avoid their income tax responsibilities because the Government would not worry about proper accounting to any official or to Parliament. That is the issue we face today.

I say this in almost a jocular fashion but I have a serious message that I want to leave with those backbenchers of the Government Party to whom I am particularly addressing my remarks. What can be wrong with the proposition put forward by my colleague from St. Catharines, so admirably seconded by the Hon. Member for Brampton-Georgetown (Mr. McDermid), that the Auditor General should audit the books? Money is being taken from people in Canada, very often the poor, and they are entitled to have the best possible accounting system to ensure that the money is properly spent in the final analysis. What is wrong with fairness in the operation of this particular activity? What does the Government have to hide by not allowing this amendment to go through?

I remember when my colleague for Halton (Mr. Jelinek) raised questions a long time ago to which he received denials by the then Minister responsible and now by the Secretary of State for International Trade (Mr. Regan). I remember sitting in the House and being absolutely amazed that the Minister could stand and deny that their sports pool proposition was coming forward. At the same time we had evidence of that being the case; the Hon. Member for Halton had it in his hand. Yet the Government continued to deny that it had any intention of entering into a sports pool proposition.

If you were buying a used car from a man like the Minister of State for International Trade and he dealt with you in that way, Mr. Speaker, would you be very secure in accepting his word that it would be run properly and the car would be all right? I would not even kick the tire for fear of it falling on my foot. But that is the type of attitude which the Government takes. It has been an attitude of deceit, of prevarication of speaking with a forked tongue, one of stating that which is contrary to the truth. I cannot think of enough ways to describe what is happening here without being thrown out of the House by the Speaker.

That has been the record of the Government and that is why it is so important for us to fight this particular proposal and to vote against it. That is what I intend to do.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I rise to support motion No. 4 which was moved by my colleague from St. Catharines (Mr. Reid). I cannot understand why the Government or anyone would not want to vote for this amendment. It will be interesting to see how backbenchers opposite will vote.

Not only is the manner of raising this money questionable but, as has been pointed out many times, the way money has been spent from similar lotteries in the past is very questionable. One manner of ensuring the proper expenditure of this money, if there is a proper way to spend money raised in this fashion, would surely be to give the Auditor General the opportunity to review those expenditures.

Let me go back and deal with Loto Canada. From 1977-78 to 1978-79, expenditures on furniture alone went from $273,000 to $402,000. This is an example of what the Auditor General could examine to determine if such expenditures were proper.

Given the fact that the Government will push this legislation through, I do not understand why it does not want to let the Auditor General review the expenditures of this new Crown corporation unless it wants to use it as a slush fund to look after some of its supporters. If that is not the case, then let the Auditor General look at it. I do not believe it can make any logical argument that the Auditor General should not look at the books of this new Crown corporation which will be established.

Aside from that I find it absolutely incredible at the end of this session, during extended hours, at a time when there are two millions unemployed in this country, that we are debating a measure as foolish and nonsensical as establishing another lottery in this country. It boggles the mind how any Government which would call itself responsible would be using this time at the end of June during extended hours to deal with this kind of nonsense. It reminds me of what my father said about people who did not make sense; he said people like that had about as much sense as a sucking goose. In many ways it is a reflection of what the Government is doing when establishing its priorities. It certainly makes no sense to me.

We should be dealing with piece of legislation which would help provide jobs and increase productivity in the country. Why are we not talking about increased cash advances for western farmers? Why not discuss some of the issues concerning the voluntary sector which were raised last night by the Hon. Member for Waterloo (Mr. McLean)? The voluntary sector is in great need of some consideration by the Government. If the Government were to give priority consideration to this sector, we could pass legislation that would encourage people to become involved in the voluntary sector and provide services to two million unemployed in their time of need. It is only logical that the Government should consider legislation such as that.

However, we are debating legislation seeking to allow the Government to act legally but immorally. We all know that the Government is financially, morally and intellectually

bankrupt, but we did not realize it had reached the stage where we must consider legislation such as we are faced with today.

Let me deal with gambling and the chance of winning. This country is relatively young. Many towns, villages and agricultural societies in my area are celebrating their one hundredth anniversaries this summer. People came to this country 100 years ago with a sense of hope and opportunity that if they worked hard they could actually acquire something. I feel very sad about what has happened in this country in the last 15 years. The Government, through its bankrupt policies, has eliminated the opportunity many people had to realize their dreams. The Government has replaced those opportunities with lotteries.

As was pointed out, the best odds one has to win is 600,000 to one. If those who got off the boat to come here to make a living for their families faced those kinds of odds, I suspect that they would not have got on the boat in the first place. If they came here and saw the odds which they faced, they probably would have returned home. I am very sad that our country had degenerated to the point where the Government coerces people not physically but mentally. In some says that is even more insidious than physical coercion. Al Capone used to run a numbers racket by kneecapping people and threatening physical violence. Instead, this Government is threatening emotional and intellectual violence. It is coercing people into buying lottery tickets with the admonitition that they will help the arts, athletes and medical research. That is absolute nonsense because these programs are worthy of support without coercing people with these admonitions of the good they will do by taking a chance at spending a dollar. I find it incredible that we must continually rise to point out facts to the Government which are obvious to any normal person.

If we are to have this legislation, since it appears that the Government will crush the legitimate opposition to it which we have on this side, surely it can let the people know that the money it will collect will be spent in a sane fashion. This can be done by allowing the Auditor General to examine the books. I suspect that the Auditor General believes he should look at the books. I also believe that those who would benefit from this lottery, such as those in medical research, would also like to see the books audited by the Auditor General as well.

This would eliminate the use of chauffeur driven limousines and fancy hotel suites, as pointed out by my colleague for Saskatoon West (Mr. Hnatyshyn). It was also pointed out that the Government's idea of restraint is to have the chauffeur also act as the bartender. I suggest that is the Government's definition of restraint, because not much care is taken about how other people's money is spent. The adoption of this motion would allow the Auditor General, while after the fact, at least to point out that those purported expenses for advertising and overhead actually represent a slush fund for the Government to look after its supporters. Therefore I would ask the backbenchers of the Liberal Party, both of them in the House today, to talk to their colleagues. We appreciate that they are here to listen. I would suspect that if they did want to get up and respond, the would have to agree with many of the points we are making in terms of this amendment. I see an Hon. Member on the other side shaking his head. I would like to know why he disagrees. I think all of us on this side would like to see him get up and explain his reason for disagreeing with this amendment. Then we would know why he is shaking his head or if he understands the amendment.

• (1650)

I think anybody who is concerned about public funds, and all of us are elected to represent people, should be concerned about the way they will be spent. I do not think anybody would be against the Auditor General looking at these books. That is precisely what motion No. 4 provides. Let me put it on the record; the amendment is: "each year by the Auditor General of Canada". That simply means that each year the books should be looked at by the Auditor General. It is a very simple and straight-forward amendment.

As I have said, I suspect everybody connected with this lottery would be in favour of having the Auditor General look at the books. If the Hon. Member for Thunder Bay-Nipigon (Mr. Masters) wants to rise, we would be polite because we would like to hear why he is shaking his head.

I will certainly vote in favour of this amendment because it is a very worth-while one; but I would like to hear why Members on the other side are going to vote against it.

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 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen)—Freedom of Information—(a) McBride Commission Report. (b) Government policy; the Hon. Member for Bow River (Mr. Taylor)—Veterans Affairs—Request that commemorative medal be struck to honour Dieppe veterans; the Hon. Member for Portage-Marquette (Mr. Mayer)—Grain—(a) Cash advance payments—Request for increase. (b) Request for assistance to farmers.

GOVERNMENT ORDERS

[*English*]

ATHLETIC CONTESTS AND EVENTS POOLS ACT

MEASURE TO PROVIDE GOVERNMENT OPERATED POOL SYSTEMS

The House resumed consideration of Bill C-95, an Act to provide for Government operated pool systems on combination of athletic contests and events and to amend the Criminal Code and the Income Tax Act, as reported (with amendments) from the Standing Committee on Communications and Culture; and motion No. 4 (Mr. Reid, St. Catharines).

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

Some Hon. Members: Question.

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 nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section (11) of Standing Order 79, the recorded division on the proposed motion stands deferred.

Hon. John Roberts (for the Minister of State (International Trade)) moved:

That Bill C-95, An Act to provide for government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, be amended in Clause 24 of the English version by striking out line 33 at page 10 and substituting the following therefor:

"its three following financial years."

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I find it absolutely disgraceful that the Government has a motion on the Order Paper yet the Minister is not here to debate it. His Parliamentary Secretary is not here to debate it. In fact, there is not one person on the Government side to debate this motion so as to tell us what it is all about and why the Government is presenting it. I find it absolutely disgraceful. Tht is the interest the Liberal Government has in the parliamentary system and in a Bill that is before this House. I find it absolutely unforgiving that the Government presents motions and has no one in the House to handle them. The Minister of National Defence (Mr. Lamontagne) and the Minister of the Environment (Mr. Roberts) are here but neither of them knows what we are debating in the House; they do not have a clue. There is no one here, not even a Parliamentary Secretary, to discuss this Bill. I find it appalling.

We are debating a Bill which is an atrocious piece of legislation in the first place. It should not be before the House. To have no one from the Government side stand up and present the motion speaks of the Liberal Government, of the tired, old bunch that are over there. I know that the Canadian people, whenever the Liberals get enough guts to call an election, will rid the country of this terrible outfit that has been trying to administer this country for the last 15 years.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I just wanted to say a few words because I feel as concerned as the Hon. Member for Brampton-Georgetown (Mr. McDermid) is that the Government has demonstrated a sort of cynicism with respect to this legislation that cannot go unnoticed. The Government is not prepared to stand up and tell us exactly why it feels this legislation should have priority.

It has been pointed out by myself and by my colleagues that there are in excess of two million Canadians unemployed, there are serious social and economic problems facing the nation, and with precious time in the House the Liberals' priorities seem to be to create a sports pool to give themselves an exception under the Criminal Code of Canada to get back into the sports gaming lottery business by virtue of this device. This is the nature of the Government's priorities. I think it is necessary for us to stand up and reiterate the reason the Government is doing this.

I want to conclude my few remarks by saying that those of us on this side of the House look forward with some substantial pride to the coming of the Winter Olympics in Calgary. I will be there, I am sure with hundreds of thousands of other Canadians, to cheer our Canadian Olympic team. I suggest that our national Government has a role to give financial assistance to this worth-while project, and I would support that. There is no question the Winter Olympics will be an event which will promote one of the most beautiful and challenging areas for recreation and athletic events that will be performed at the Olympics. But what this is all about and what this debate has been all about, before we get to the final vote, is really to question—and Parliament is a forum for questioning—the legislation of the Government to which there has been no response. It has been a pitiful display on the part of the Government. When an attempt has been made to have a dialogue and to get answers to what I think are legitimate answers, the Government sits mute, refusing to respond. It lets the matter go through by process of attrition because the fundamental question is the method and the means upon which the Government has chosen to raise $200 million to give to the organizing committee.

When the Minister responsible for fitness and amateur sport accepted that responsibility, this particular sports pool was no part of the commitment on behalf of the people of Canada. I think all of us who watched the application made on behalf of Canada at Baden Baden were supportive and felt that the Government—I do not want to spend a lot of time commending the Government—was speaking on behalf of the people of Canada and saying that yes, the Government was prepared to support and important region of our country in its application to hold the Winter Olympics. But it now comes forward with this legislation, which is not restricted to supporting this

particular project but sets into place until such time as it is revoked, which I suggest to you, Mr. Speaker, will be after the next election, the enormous cost of setting up an elaborate gaming operation on behalf of the federal Government.

This will be available for a variety of purposes in terms of paying off many friends of the Liberal Government. Examples have been given. This will be done without response on the part of Government Members and its supporters. The Hon. Member for Ottawa Centre (Mr. Evans) sits mute. They will have to answer to the people of Canada later on in terms of their moral, legal and ethical positions in supporting this piece of legislation without the amendment suggested by my colleague. I think it is a sorry day for Canada that we have to end this part of the session with this sorry Government, pitiful as it is, relying upon a sports pool in order to raise tax money to support medical research, the improvement of our athletic position and the Calgary Winter Olympics.

• (1700)

Mr. Smith: Mr. Speaker, I had not anticipated that there would be extensive debate on this particular amendment. In the event Hon. Members opposite are opposed to this amendment, I advise the House that I would be prepared to seek its consent to withdraw motion No. 5. Since it was originally put on the Order Paper, it has been concluded that it is really not necessary. It is fine if it goes through, but I do not think it is necessary to engage in lengthy debate on it.

Some Hon. Members: Oh, oh!

Mr. Smith: I am just trying to accommodate Hon. Members opposite. If they are opposed to it, rather than force them to go through a debate on it, I would be prepared to seek the consent of the House to withdraw it.

Mr. Mayer: Tell us why.

Mr. Smith: Because it is not necessary.

Mr. Joe Reid (St. Catharines): Mr. Speaker, before the debate continues too far and before any strong positions are taken by the Government side, I would like to indicate, in the absence of the Minister of State for International Trade (Mr. Regan), that originally that particular section of the Act required the Crown corporation to provide to the Minister responsible for the approval of the Governor in Council a corporate plan for its two following years. The executive directors charged with the responsibility of preparing, organizing and developing programs for both fitness and amateur sport raised a question of concern. They indicated that the original two-year period was far too short, too short a period for good term planning or even long-term planning. They wanted an extension so as to provide better long-range planning, particularly in instances of major sports events.

It was argued in committee that it was an acceptable practice for the Minister of Finance (Mr. Lalonde) and for the Government of Canada, in the presentation of budgets, to file financial forecasts of five years. This was generally accepted by Departments in making submissions to their respective Ministers. Government Departments and Crown corporations should, if they are to do their job properly, plan ahead for at least a period of five years.

Accordingly, in committee the Opposition recommended that the time period be changed and that this Crown corporation be required to submit a fiscal corporate plan for a period of five years. This was not acceptable to the Minister. A compromise arrangement was reached, and hence Motion No. 5 is before the House.

We support this motion which sets out a requirement that the fiscal corporate plan should be submitted to the Minister responsible for a period of its three following years. We in the Opposition are prepared to support that position.

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

Some Hon. Members: Question.

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.

Some Hon. Members: On division.

Mr. Deputy Speaker: I declare the motion carried on division.

Motion No. 5 agreed to.

Mr. Deputy Speaker: The House will now proceed to the taking of the deferred divisions on the Bill. Call in the Members.

The House divided on motion No. 2 (Mr. Reid (St. Catharines)) which was negatived on the following division:

(*Division No. 365*)

YEAS

Messrs.

Althouse	Dick	Heap
Andre	Domm	Hnatyshyn
Anguish	Ellis	Hovdebo
Beatty	Elzinga	Howie
Benjamin	Epp	Huntington
Blaikie	Fretz	Jelinek
Blenkarn	Friesen	Keeper
Bosley	Fulton	Kempling
Cardiff	Gamble	King
Clark (Brandon-Souris)	Gilchrist	Knowles
Coates	Greenaway	Kristiansen
Cook	Gurbin	Lawrence
Cooper	Gustafson	Lewis
Corbett	Hamilton (Qu'Appelle-Moose Mountain)	Malone
Cossitt (Mrs.)	Hargrave	Manly
Deans	Hawkes	Mayer
de Jong		Mazankowski
		McCain

Messrs.

McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McGrath
McKinnon
McKnight
McLean
Miller
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Waddell
Wenman
Wilson—88.

NAYS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bockstael
Bossy
Breau
Bujold
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Pelletier
Pepin
Pinard
Portelance
Prud'homme
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tobin
Trudeau
Turner
Veillette
Watson
Yanakis—121.

Madam Speaker: The motion is lost.

Mr. Doug Lewis (Simcoe North): Madam Speaker, I believe there might be a disposition to have the same division recorded for the rest of the motions. However, I would ask the unanimous consent of the House to add to the votes cast by this Party the names of the Hon. Member for South Shore (Mr. Crouse), the Hon. Member for Ontario (Mr. Fennell) and the Hon. Member for Halifax West (Mr. Crosby). If that were done, the same division could be recorded in the *Votes and Proceedings*. Otherwise, we shall have to go through a recorded division again. I believe it might save the time of the House.

Madam Speaker: Does the House agree that the recorded vote for Motion No. 2 should be applied to the other motions, Nos. 3 and 4, and that the names mentioned by the Hon. Member for Simcoe North (Mr. Lewis) be added, since they came into the House once the vote had started?

Some Hon. Members: Agreed.

Madam Speaker: The House agrees.

Mr. Lewis: Madam Speaker, since that courtesy has been accorded, I suggest that the Hon. Member on the Government side who just came into the House may wish the same treatment. If he does, we would certainly agree on this side.

Madam Speaker: For the benefit of the Chair, would the Hon. Member who came late to vote identify himself to the Chair? The Hon. Member for Kenora-Rainy River (Mr. Reid).

Hon. John M. Reid (Kenora-Rainy River): Madam Speaker, I was here for the vote. I merely left my chair to speak to my colleague, the Hon. Member from Scarborough, and then returned to my chair. I was here for the vote.

Madam Speaker: You were here for the vote but you did not vote?

Mr. Reid (Kenora-Rainy River): Yes, I did vote. I was here.

Madam Speaker: I see.

Mr. Lewis: Fair enough.

The House divided on Motion No. 3 (Mr. Reid (St. Catharines)) which was negatived on the following division:

(*Division No. 366*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Cardiff
Clark
(Brandon-Souris)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Huntington
Jelinek
Keeper
Kempling
King
Knowles
Kristiansen
Lawrence
Lewis
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McGrath
McKinnon
McKnight
McLean
Miller
Munro
(Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Orlikow
Paproski
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields

Messrs.

Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Waddell
Wenman
Wilson—91.

NAYS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bockstael
Bossy
Breau
Bujold
Bussières
Caccia
Campbell (Miss) (South West Nova)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Pelletier
Pepin
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tobin
Trudeau
Turner
Veillette
Watson
Yanakis—121.

Motion No. 3 negatived.

The House divided on Motion No. 4 (Mr. Reid (St. Catharines)) which was negatived on the following division:

(*Division No. 367*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Cardiff
Clark (Brandon-Souris)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Fretz
Friesen
Fulton
Gamble
Gilchrist
Greenaway
Gurbin
Gustafson
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Huntington
Jelinek
Keeper
Kempling
King
Knowles
Kristiansen
Lawrence
Lewis
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McGrath
McKinnon
McKnight
McLean
Miller
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Orlikow
Paproski
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Thomson
Towers
Vankoughnet
Waddell
Wenman
Wilson—91.

NAYS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bockstael
Bossy
Breau
Bujold
Bussières
Caccia
Campbell (Miss) (South West Nova)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Garant
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Pelletier
Pepin
Pinard
Portelance
Prud'homme
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tobin
Trudeau
Turner
Veillette
Watson
Yanakis—121.

Motion No. 4 negatived.

[*Translation*]

Hon. Serge Joyal (Secretary of State) moved that the Bill as amended be concurred in.

Motion agreed to.

Madam Speaker: When shall the Bill be read the third time? At the next sitting of the House?

Some Hon. Members: Agreed.

• (1750)

BUSINESS OF THE HOUSE

Mr. Pinard: Madam Speaker, I have had consultations with my Opposition colleagues, and the order of business in the House has been modified as follows: As of now, we shall first proceed with consideration of two Bills which concern the judges and the Federal Court. Since both Bills will have to go to a committee of the whole and a number of amendments are possible, Hon. Members should judge for themselves and decide whether it is important to stay in the House or not. After the judges legislation, we shall quickly dispose of Bill S-24, since we have an agreement that only one speaker per party will be heard, followed by Bill C-119, where we also have an agreement for having only one speaker per party. As soon as these four Bills have been disposed of, whenever that may be, we shall adjourn until 11 o'clock tomorrow morning.

[*English*]

Mr. Lewis: Madam Speaker, that is in essence the agreement we have reached. I would ask that the Judges Bill, which we insisted be split, be called separately. On that understanding we are in agreement.

Madam Speaker: Is there unanimous agreement to the order of business just now enumerated by the Hon. President of the Privy Council.

Some Hon. Members: Agreed.

Madam Speaker: Is there unanimous consent that the House shall adjourn when that order of business is completed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Order. Is there unanimous consent for the Minister of Justice (Mr. MacGuigan) to introduce two Bills arising out of the Judges Act?

Some Hon. Members: Agreed.

* * *

JUDGES ACT—FEDERAL COURT ACT

MEASURE TO AMEND

Hon. Mark MacGuigan (Minister of Justice) moved for leave to introduce Bill C-166, An Act to amend the Judges Act and the Federal Court Act.

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

Mr. Deputy Speaker: When shall the Bill be read the second time? Later this day?

Some Hon. Members: Agreed.

AN ACT RESPECTING THE TAX COURT OF CANADA AND TO AMEND THE FEDERAL COURT ACT, THE JUDGES ACT AND THE UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO ESTABLISH AND TO AMEND

Hon. Mark MacGuigan (Minister of Justice) moved for leave to introduce Bill C-167, An Act respecting the Tax Court of Canada, and to amend the Federal Court Act, the Judges Act and the Unemployment Insurance Act, 1971.

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

Mr. Deputy Speaker: When shall the Bill be read the second time? Later this day?

Some Hon. Members: Agreed.

* * *

JUDGES ACT—FEDERAL COURT ACT

MEASURE TO AMEND

Hon. Mark MacGuigan (Minister of Justice) moved that Bill C-166, An Act to amend the Judges Act and the Federal Court Act, be read the second time and referred to Committee of the Whole House.

He said: Mr. Speaker, I would first of all like to thank the Leaders and Members of both Opposition Parties for their co-operation in allowing this Bill and its companion Bill to come before us and to receive speedy passage. We are accommodating a good number of Provinces in putting this legislation through.

Bill C-166, Mr. Speaker, is an Act to amend the Judges Act and the Federal Court Act. Since it naturally falls into two segments, I will deal with each of those in turn. First, with respect to the Federal Court Act, I would point out that the Bill provides for an increase of four judges at the Federal Court of Appeal level, and two judges at the Trial Division level. Increases in the number of judges have been requested for some time by the Chief Justice and Associate Chief Justice of the Federal Court, I might add, Mr. Speaker, with a great deal of pressing and persistence on their part. This increase in the number of judges takes into account the present case load as well as the projected increase in the next few years and the desirability of reducing the reliance, to a very substantial extent, on deputy judges.

Deputy judges, Mr. Speaker, are in practice judges of the provincial Superior Courts who have retired on account of age. The Bill will correct an anomaly by extending to a judge of the federal Court of Canada the right to elect to be a supernumerary judge on the same basis as, for example, judges of the Superior Courts of the Provinces.

[*Translation*]

Mr. Speaker, the proposed amendments to the judges Bill are mainly of an administrative and technical nature. As Hon.

Members are aware, under the Constitution, the Parliament of Canada appoints the judges of superior courts and district and county courts in the provinces and provides for their salaries. In order to meet the demand in many provinces which have recently created additional positions for judges in superior and county courts or which have informed us of their intention to do so in the near future, the Government is proposing amendments to the judges Bill, authorizing salaries for the additional judges.

[*English*]

In other words, Mr. Speaker, we try to make some provision in advance for the Provinces by bringing the law up to date and by including the immediately pending modifications of which we have been notified by various Provinces. For example, a major reorganization is to take place this fall in the Province of Manitoba, where a new division of the Supreme Court will be created to deal with Family Court matters and where, I also understand, the County Courts and Supreme Courts will be merged. We have received advance notice of that change on the part of the Province, and so the legislation allows for that. It also allows, through the pool arrangement, for some small increase in the number of judges throughout the country at the Superior, County and District Court levels over the next few years. For these reasons, the actual net increase in the number of judges that the Bill would give us authority to appoint immediately is very much smaller than would be immediately apparent from the Bill itself.

• (1800)

I have already mentioned that with the reorganization four judges would be appointed to the Federal Court of Appeal and two to the Trial Division. There would also be two Supreme Court judges appointed in British Columbia and the Chief Judge of the County Courts in Manitoba. There would be five additional Queen's Bench judges and an associate Chief Justice and also an additional County Court position. There would be four Queen's Bench positions in New Brunswick, that is, for the Family Court in that Province. In Nova Scotia, there would be an additional Appeal Court Judge, two Trial Court judges and a Chief Judge of the County Courts. In Ontario, there would be two additions to the High Court and three to the County Courts as well as an acting Chief Judge. The largest number of new judgeships would be created in the Province of Quebec which has requested us to enable the appointment of nine new judges of the Superior Court level.

I might just add in conclusion that the Bill also makes technical changes and removes language in some parts of the Judges Act that may be considered sexist. These comments summarize the essential elements of the Bill and, if my colleague opposite is ready to proceed, I can sit down at this point and allow him to have the floor.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I appreciate the benefit of hearing the remarks of the Minister with respect to the split portion of the Bill. I am pleased to be able to join in the debate today dealing with changes to the Judges Act and, subsequently, to deal with a Bill which will, in effect, create a new court in Canada, referred to as a tax court.

As the House will have noticed, the Bill was split into two portions at the insistence of my Party. There was an agreement that was finally reached prior to the introduction of the two Bills, by unanimous consent. This was because of fundamental concern expressed by Members of my Party with respect to the precedent which has been growing in the past on the part of the Government in terms of bringing in so-called omnibus legislation which purports bring in all types of amendments to a particular piece of legislation. This particular instance concerns the expansion of provincial courts at the request of the Provinces, expansion of the Federal Court at the request of the Federal Court and the creation of a new court.

We will support both of these Bills. We are not speaking against them. However, in terms of the precedent that would be established of bringing in one piece of legislation containing all of these portions, we think it is significant to stand up on each occasion ans ask—indeed, insist—that the Government bring in separate pieces of legislation with separate topics. The reason is very simple. It involves the apples and oranges concept in terms of legislation before the House.

When we are dealing with diverse, totally unrelated matters in one piece of legislation, it might well be the case, and often is the case, that Hon. Members in the House may support one portion of the Bill and oppose other provisions. As a result, we are not able to deal intelligently or responsibly with the legislation brought forward by the Government because we are dealing with a diverse number of problems. In order to make our point with respect to parts of the Bill to which we may take exception, we must vote against all the provisions of the Bill. That is simply an unacceptable way of proceeding legislatively. That is why we have insisted on the splitting of the Bill.

I think the Government is to be commended to accept what I would term as being our constructive suggestion in terms of this legislation. It has facilitated the passage of these pieces of legislation. It has allowed us to deal with them seriatim and to deal with the prinicples involved. We do support the provisions and changes to the Judges Act.

The Minister just referred to the amendments to the Judges Act. I should say at the outset that we are a little upset about the length of time it has taken for the Minister to come up with these particular amendments. Many of the Provinces involved in the Federal Court have been experiencing substantial backlogs in connection with cases coming before them and in provision of judicial services. It is clearly undesirable. The House should note the willingness of our Party to rectify the situation as quickly as possible.

There has been representation received from representatives of the Canadian Bar Association and, indeed, from representatives of provincial bars across the country, concerning the difficulties being experienced in bringing cases before various judicial bodies in each of the Provinces. The old legal axiom, which the professor who now occupies the position of Minister of Justice (Mr. MacGuigan) will understand, is that "Justice delayed is justice denied". However, I wanted to take this

opportunity to address, in very few words, the new and expanding role of judges in general.

Since we are increasing the number of judges, this is an opportunity for those of us who are concerned with justice and legal affairs to consider the role of judges in our society today. The Charter of Rights and Freedoms has, of course, greatly expanded the impact of judges on our society today. The Charter of Rights and Freedoms has, of course, greatly expanded the impact of judges on our society, particularly as they relate to the criminal justice system. Opinions vary as to how great an impact there will be. Some Crown prosecutors and some police officers feel that the exclusionary rule will appear in Canada and that, as a result, we will see a host of technical acquittals and a resultant increase in crimes which go unpunished before our courts in Canada from this time on. To date, I think it is fair to say that this has not proven to be true with respect to those cases which have come before our lower courts. However, many people feel that the Charter of Rights and Freedoms is full of loopholes.

A suggestion exists that Clause 1 of the Charter of Rights and Freedoms will severely restrict the force and effect of the Charter and that as a result, the evidentiary rules made by the Warren Court in the United States will not have a home in Canada.

In the United States, the United States Supreme Court has developed the exclusionary rule through decisions such as *Mapp* and *Miranda* preventing the use of evidence that has been collected in derogation of a person's legal rights under the Constitution. Whether Canadian courts will develop similar rules to protect citizens' rights under the Charter of Rights and Freedoms is open to question. All indications to date suggest that Canadian courts will maintain their small "c" conservative leanings, although there are a number of exceptions, and particularly one reported in the Ottawa press, where a local provincial court judge excluded evidence collected through a faulty search warrant.

The American Supreme Court has been openly interventionist in its rulings on the criminal law and on other matters. Its rulings on capital punishment, abortion, busing and the environment, to name only a few, have had profound political and sociological implications.

• (1810)

Indeed, the traditions of the decision-making process within the U.S. courts have been different from those of our judges. American judges have shown in recent years a willingness to take an active position on political and sociological issues. The Anglo-Canadian tradition has been for the judges to confine themselves to the issue between the litigants before them, using precedent as their guide and to avoid making sweeping decisions with political implications.

It is arguable that in enacting a Charter of Rights we have only gone part way in reforming our legal system. My point is essentially that we have developed in this country a Charter of Rights that will take years to interpret. The existence of the Charter substantially increases the power of the final court of appeal in our country, the Supreme Court of Canada, to define and delineate the rights of individual citizens. Those judges who will make these determinations are, in effect, appointed by one person, the Prime Minister. The Prime Minister ultimately determines the competence of the nominees and makes an assessment of their political, social and philosophical beliefs. Indeed, the Supreme Court of this country has, from time to time, been accused of being centralist at one time and decentralist at others. I believe the opportunity now exists for a Prime Minister to shape the day-to-day practice of rights and freedoms in this country, even to the extent of their encroachment on provincial jurisdiction. This is something that causes me major concern.

As most Members will know, United States judges are appointed to the Supreme Court by the President. But the judiciary committee of the Senate then interviews the nominees and makes a recommendation on ratification to the full Senate who then may, by simple majority, accept or reject a nomination. Fifteen presidents have seen 26 of their nominees for the Supreme Court fail to win Senate confirmation out of 139 appointments.

I would suggest to the House and to the Minister that in light of the enactment of our new Charter of Rights, we may have cause to consider what provisions we may adopt in our own country to allow elected representatives—possibly Members of Parliament or other elected officials representing various regions of our country—the opportunity of considering the social, philosophical or other views held by those nominees before their appointment to the highest court in our land is made final. Another opportunity we may consider at this time is that it may be desirable to have the Governor in Council make the nominations, at which time an appropriate committee of the House can be given the opportunity to interview and make recommendations on the appropriateness of the nomination to the Supreme Court of Canada. Indeed, the House of Commons may even be given an opportunity to vote on nominations made to the Supreme Court of Canada.

Without casting any reflection upon the competence of the Members of our Supreme Court at the present time, who are eminent and distinguished jurists, I believe that we are entering into a new judicial age in our country which therefore could make it the appropriate time to consider this type of investigation. Indeed, I have informally discussed this matter with more than one Member of the existing Supreme Court who have found no fault in the suggestion I have made. Furthermore, one judge was rather supportive of what I am now saying, that there should be no difficulty with an investigation not only of the qualifications and competence of nominees to the Supreme Court of Canada when a person takes that position, knowing the powers that will be vested in the Supreme Court of Canada, but to find out where they stand and have stood on issues and their attitude toward issues arising in the House.

I admit that some practical problems will exist with this method since our system involves Party disciplines and the lack of separation between the executive and legislative branches of

Government. However, a process such as the one suggested would allow an appropriate committee of the House at least to interview the nominee and discuss that nominee's qualifications and political, social and philosophical views.

Other alternatives are certainly available and have been suggested by responsible people in our country from time to time. For example, the Task Force on National Unity recommended nomination by Governor in Council following consultation with the respective Attorneys General of the Provinces. Nomination would then be ratified by the appropriate committee of the proposed council of the federation, a body which represented the Provinces at the federal level. Perhaps the Senate Reform Committee will have further recommendations with respect to the role of a reformed Senate in terms of judicial appointments in our country with regard to the enactment of the Charter of Rights.

Whatever the method, I think the important point is that it is necessary to develop a system of judicial appointments to the Supreme Court that in effect allows people who are elected the opportunity of having some input into these nominations. Again, without casting any reflection on any particular incumbent in the position of Prime Minister, I believe it is important for these decisions to be made by more than simply one person, even if that one person is the Prime Minister of our country. In developing a Charter of Rights we have only come part of the way to enhancing the rights and freedoms of Canadians. We must work as hard as we can to ensure that these rights and freedoms will be dealt with by the courts in a fair and independent fashion. Furthermore, we must ensure that they appear to be dealt with in such a fashion.

Finally, in dealing with this Bill which increases the complement of judges in various courts across our country, as the Minister pointed out, I want to express my concern over a matter which has received some attention recently in the public press. It concerns the whole question of the independence of the judiciary and the ability of members of the court to speak out on current political issues. I fully understand some of the frustrations felt by members of our judiciary over the traditional way in which they must deal with important political issues facing our country. Traditionally, judges simply do not speak out publicly on political issues. There is a legitimate and valid reason for this which has developed through tradition. It is that justice should not only appear to be impartial but should actually be impartial. Any suggestion that the judges have a preconceived view of the various political issues in our country cannot in any way be allowed to continue to the jeopardy of a citizen who has litigation before a court.

While there may be great sympathy for a position enunciated by members of the judiciary in this country from time to time outside the sphere of their consideration of cases before them, and while their positions may be indeed meritorious and dictate the support of people across Canada, I make the simple observation and proposition to the House that judges, by so acting, put themselves in a position where a litigant may feel he is not receiving a truly impartial hearing while pleading his case before the court if it relates to a matter on which a judge has spoken.

I agree with Chief Justice Laskin of the Supreme Court that the decision has to be made by those who occupy a position of judge of any of our superior courts in Canada that the only way they may address any issue is by dealing with the matter through the courts. Any other conclusion, I think, would be very seriously detrimental to our judicial system. I say to people who consider appointments to the courts that in accepting the appointment they receive some very substantial protection for their independence. They are not able to be removed arbitrarily or by any government. The only way to remove a judge of a superior court in this country is by an address by both Houses of Parliament, a resolution passed by both Houses, a very substantial protection for the judge in dealing independently with the issues before him or her without any concern for political pressure which may be imposed upon them. But by the same token, because they have that unique and unusual protection, they also have the responsibility, indeed the constraint upon them not to involve themselves in political issues from day to day.

• (1820)

I sometimes find it quite difficult to understand the rationale of those who speak out on the floor of the House of Commons in support of a particular judge having the ability to become involved in active debate on political issues, no matter how meritorious. I ask the Hon. Member for Burnaby (Mr. Robinson), at one time the justice critic for the New Democratic Party who represented as he did at one time Mr. Justice Berger, the rhetorical question whether in supporting Mr. Justice Berger in his right to speak out, he would feel compelled to support another judge who may speak out condemning the policies of the New Democratic Party and feel very legitimately and seriously that he was doing a public service in making a pronouncement on the policies of the New Democratic Party. I think the Hon. Member for Burnaby, or indeed the Hon. Member for Winnipeg-St. James (Mr. Keeper), or indeed the distinguished Member for Winnipeg North Centre (Mr. Knowles), or indeed the current justice critic, the Hon. Member for Broadview-Greenwood (Ms. McDonald), would be the first ones to stand up and say that a judge has no right to criticize the policies of the New Democratic Party, that he is wrong. I am sure they would say that there is no place for a judge in this country to involve himself in that kind of debate. When I hear from colleagues in the House of Commons to my left taking that position, it causes me a great deal of concern. It makes me wonder whether they fully understand the principles upon which judicial independence in our system is based.

I have spoken a little longer than I intended, Mr. Speaker. But this is one of the few opportunities that one has to talk about judges. I do not want to cast any reflection on the Minister or the Government by saying that we in the Opposition are not often consulted about judicial appointments. We hear about them. Press releases come across our desks. From time to time I know that judges appointed by this Government have had some past affiliation with the governing Party. It is

not an unheard of proposition that that is the case. I simply say to the Minister that I hope after the next election when we are in government we will take a far broader view with respect to the responsibilities and try to be as apolitical as we can. Mind you, as has been pointed out by our new Leader there are many highly qualified people who at one time or another supported the Conservative Party who are still available for judicial appointments, and I would not want to deny them that responsibility. Therefore, I do not want to tie myself down too closely by saying that we would not appoint any Conservatives because that would be wrong-headed and unfortunate. I simply say to the Minister that while we petition him to develop the process, there has been some progress with respect to the whole process of judicial selection of judges in Canada. An attempt has been made for greater consultation with various provincial bars and the Canadian Bar Association, and I think this is an admirable development concerning judicial appointments in our country.

With the Charter of Rights and Freedoms and for a variety of reasons, the role of the judiciary in our country is expanding in importance. Judges are becoming involved, as they are in many issues, in the interpretations they bring down which affect the daily lives of Canadians, and it is important that we deal with these matters in terms of getting the best people possible appointed to the bench. We should be tireless in our efforts and supportive of each other as much as possible on a non-partisan basis to get the best people possible to serve as judges in the courts of our land.

With those few remarks I conclude my observations with respect to this Bill, but again I wish to assure the Minister of the position we have taken. We are prepared to let this Bill go through all stages today in order to relieve somewhat the pressure on the courts across the country with respect to the workload they experience.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, most of the matters which are dealt with in the legislation before us are technical. They are not controversial, they are not partisan. I presume the Minister of Justice (Mr. MacGuigan), in consultation with his provincial counterparts, decided that a certain number of judges is needed in each Province and there is good reason for this. Likewise, for the reorganization into the tax court there is good reason for it and it is something we can all support.

I want to make a couple of comments about judicial appointments, although my colleague, the Hon. Member for Winnipeg-St. James (Mr. Keeper), will be making a few more. I do recall, apropos of a few remarks of the previous speaker, that in making representations to the last Conservative Prime Minister about judicial appointments, I pointed out that those appointments would all be going to the Conservative Party after years of going all to the Liberal Party and I suggested that appointments might be based relative to population. I suggested that we might concede that a certain number of eligible people would have no political affiliation and that the other appointments should be distributed roughly according to representation in popular vote. I did not get anywhere with this proposal. The former Prime Minister did not think that such a reasonable proposal was worth considering.

The Minister of Justice has made reference to improving some of the sexist language in the Judges Act. I want to commend him for that. However, I want to point out that it is a very minor change he has made so far and it is far from the most important one. The language is still framed in the masculine. The judges are all "he". Of course, this is largely true. Most judges are men, but clearly this is one of the points we want to address. Women should be well represented in the judiciary and so far they are not.

The one change the Minister did make concerns pensions. The phrase now, instead of being "widow's pension", is "pension for the surviving spouse". It is an important principle that widowers be treated on the same basis as widows. Let us not be foolish about this and think that this will address any dire social need. I doubt whether there is any widower of a woman judge who is in desperate need of the pension, and I doubt any injustice would have continued by keeping the old language. What we need is a much more comprehensive change to non-sexist language throughout. I would refer the Minister to the guidelines established by the status of women in Canada which were released very recently. These were prepared for what was called federal Government communications. They were not directed toward legislation. But the same principle holds. They are very good guidelines. I would suggest they be consulted and in the future the Ministry of Justice phrase its legislation in non-sexist terms. This is not just a matter of symbols, Mr. Speaker. Symbols themselves are important. But judges make decisions regarding people's lives. We have had disastrous decisions in the past regarding women. There has been a long series of women's equality cases. They have gone through the courts all the way to the Supreme Court of Canada. The Supreme Court of Canada has a disastrous record in dealing with women's equality right back to the old Persons case. Women were not persons within the lifetime of many Members of this House. In the Judges Act, women are still not persons. They are nobodies. I think we have to assume this affects judges' thinking.

• (1830)

I plan to bring in some amendments at Committee of the Whole stage, but I would like to comment briefly on the rationale behind them. There are two amendments concerning pensions. First, there is a section which eliminates the widow's pension, or what will be called the surviving spouse's pension when the legislation is passed, if the widow or surviving spouse remarries. Clearly there is the idea of a widow being a dependent, and the pension is only for the time that the widow is a dependent. This is a very false idea.

We have a notion that marriage is a partnership of equals. In the case where the judge has a homemaker spouse who did not go into the paid labour force, that person is dependent on the judge and the judge's pension, but that person has also made a contribution. For example, that person has probably raised children over a number of years and done a great deal of

work for the couple. That is normally recognized by having a pension as a result, but we do not see this; the person does not get a pension in her own name if her husband dies and she remarries. She loses the pension, which is extremely unfair to her. It may mean that some women in these circumstances who would like to remarry will not remarry because they cannot afford to lose that pension for which they have worked and to which they have contributed for many, many years by their work in the marriage.

The other pension amendment concerns the pension of the judge being split between the two spouses when the spouse reaches the age of 65. This is a proposal which is being considered for many pension plans including the Canada Pension Plan. It is in the green paper and has been discussed wherever pensions were under discussion. This amendment recognizes that a couple is a partnership of equals. They each work, they each contribute, and they should each benefit. Clearly it would not be fair if the spouse did not split her or his pension in the circumstances, but it would be eminently fair in the case of the homemaker spouse for whom there is no pension at all, or a spouse who is in the paid labour force and splits her or his pension at the same time.

I think they are very reasonable and very important amendments. Judges should have a model pension scheme. They make decisions about pensions which affect all other Canadian men and women. They have made bad decisions in the past. Why did we have the cases of Murdoch, Leatherdale and Rathwell? Why did we have these cases where the contribution of women was not understood and was underestimated? Judges' own pensions underestimate the contribution of women. We only have to look at their own scheme, which Parliament provided, to see that women are not equal beings. It is very important in the area of pensions that the provisions for judges be the best possible ones in our society, that they really be just and fair.

I will be introducing these amendments when the Bill is being considered in Committee of the Whole. I do not want to continue any further now. We will be supporting the Bill. As I said, most of its provisions are non-controversial. I hope to obtain the support of the Conservative Party and, indeed, of the Government on the two amendments that I will introduce.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I thank my colleagues in the Conservative Party and in the Liberal Party for allowing me the courtesy of making a few short remarks in this debate without in any way whatsoever delaying the movement of the legislation.

What I want to comment upon concerns the process of appointing judges in the country. As I understand it, the Prime Minister (Mr. Trudeau) appoints judges and there is no public process through which the suitability of judges for the bench is examined before he makes appointments. While this may have been appropriate throughout our judicial practice in the past, I would suggest that, with the introduction of the Charter of Rights and Freedoms and the Constitution which will now contain provisions with regard to aboriginal rights, it is important that there be an opportunity for a full and open exploration of the views and attitudes of judges before they are appointed, simply because of the fact that indeed they are independent, as they should be, after their appointment.

I must say as well that the provisions in the Constitution with regard to sexual equality demand a full exploration of the views of possible appointees to the bench before they are appointed.

It is crucial that all Canadians understand that when they go before the courts they will be treated fairly and will be seen to be treated fairly. I want to give an example by referring to a recent event that pointed to the need to examine the whole question of how we appoint judges in Canada. I am thinking of the comments in the last few months of Mr. Justice Monnin in the Province of Manitoba. He was reported in the newspapers as having said something to the effect that if he had to throw out of court all the evidence of drunken Indians there would be nothing left. Of course the native community reacted to these comments with anger and dismay, quite rightly so.

I do not want to comment with regard to the quoted statements of Justice Monnin, but I want to say that they point to the need for a full and open process of appointing judges so that all citizens can have full confidence in the judiciary. After these comments were reported, a complaint was made to the judicial council; of course no action was taken. After that the Prime Minister, with no public input, appointed the same Justice as Chief Justice for the Province of Manitoba, to the surprise and dismay of many residents of that Province.

It is time for an open and public process for the appointment of judges. It is important that all citizens feel and know that they will be treated fairly when they enter the courts of the land. This is particularly important now that we have the Charter of Rights and Freedoms and there will be provisions in the Constitution with regard to aboriginal rights.

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, Bill read the second time and the House went into Committee thereon, Mr. Francis in the Chair.

The Chairman: The House in Committee of the Whole on what is now Bill C-166.

Mr. Hnatyshyn: Mr. Chairman, I talked on the wrong Bill.

The Chairman: I believe the Hon. Member spoke to the correct Bill, but I am trying to bring to the attention of the Committee certain difficulties with regard to numbering which I hope have finally been resolved.

Clauses 1 to 12 inclusive agreed to. On Clause 13—

Ms. McDonald: Mr. Chairman, I wish to introduce an amendment at this point. I move:

That the Act be amended by substituting the following for Section 13(3):

"Section 26(3) of the Judges Act is repealed."

The Chairman: Is the House ready for the question?

Some Hon. Members: Question.

The Chairman: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Chairman: All those opposed will please say nay.

Some Hon. Members: Nay.

The Chairman: In my opinion the nays have it. I declare the motion negatived on division.

Motion (Ms. McDonald) negatived.

• (1840)

Ms. McDonald: Mr. Chairman, I have another amendment. I move:

That the Judges Act be amended by adding a new Section 23 (4):

"Where a judge is in receipt of a pension pursuant to the provisions of the Judges Act and his or her spouse reaches the age of 65, the pension shall be split equally between the two, provided that the spouse is not in receipt of a pension that is not also equally split".

This is on the same page as the previous amendment that was sent forward.

Mr. MacGuigan: Mr. Chairman, I might just say a word to indicate why, despite our sympathy for the kind of consideration that is being raised, it is difficult for the Government to go along with it.

First, the whole area of pensions is under active consideration by the Government at the present time in the context of the national pension plan reform. Second, it would be unfair to proceed on a piecemeal basis which would be the effect of the amendment here. It would provide special treatment for the spouses or surviving spouses of judges. There are many other statutes dealing with pensions, such as those governing Members of Parliament, the RCMP, public servants and so on. These groups would all have to be put on the same footing. I do not think one could apply such a provision only to the category of spouses and surviving spouses of judges.

Ms. McDonald: Mr. Chairman, it is certainly true that numerous other people have pensions which do not provide for pension splitting and have these other anomalies of being cancelled on remarriage. It is particularly important for judges to have reasonable and equitable pensions because they make so many other decisions. While I would certainly be in agreement that all of these other pension schemes be changed, I think judges should come first. I wonder if the Minister would give us some information as to where he stands on this. Is he prepared to recommend very firmly that in future discussion on pensions the anomaly of cutting pensions be eliminated and that there be a splitting of the pension in recognition of the partnership that is entailed in marriage?

Mr. MacGuigan: Mr. Chairman, I am prepared to propose that it be considered very seriously during the study of the matter.

The Chairman: Is the House ready for the question?

Some Hon. Members: Question.

The Chairman: Those in favour of the amendment please say yea.

Some Hon. Members: Yea.

The Chairman: Those opposed will please say nay.

Some Hon. Members: Nay.

The Chairman: In my opinion, the nays have it. I declare the motion negatived on division.

Motion (Ms. McDonald) negatived.

Clauses 13 to 19 inclusive agreed to.

Schedule agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, I rise on a point of order. Before we move to the next Bill, I have consulted the other House Leaders and it is agreed that we will give unanimous consent to allow the Hon. Member for Sherbrooke (Mr. Pelletier), the Chairman of the Committee on Regional Development, to table the report on Bill C-165. I can assure my colleagues that I have talked to the House Leaders and we have agreed to the tabling.

I would seize this opportunity to confirm the business for tomorrow. The first item tomorrow morning will be report stage and third reading of Bill C-165, which will be reported in a moment, followed by third reading debate on Bill C-95. Further to the House Order earlier this week or last week, at four o'clock we will move to deal with the resolution in relation to aboriginal rights. I understand that no later than 5.45 this resolution will have to be disposed of. Following that, if need be, we will resume debate on Bill C-95, followed by Bill C-152. That is the business for tomorrow. I seek unanimous consent to allow the Hon. Member for Sherbrooke to table the report.

Mr. Deputy Speaker: Is there unanimous consent to revert to presenting reports from Standing and Special Committees?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

REGIONAL ECONOMIC EXPANSION

PRESENTATION OF SEVENTH REPORT OF STANDING COMMITTEE

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, I have the honour of tabling, in both official languages, the Seventh Report of the Standing Committee on Regional Economic Expansion which has examined Bill C-165.

[*Editor's Note: For text of above report, see todays, Votes and Proceedings.*]

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[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTIONS TO REPORTS OF COMMISSIONS FOR PROVINCES OF QUEBEC, BRITISH COLUMBIA AND ONTARIO

Mr. Deputy Speaker: It is my duty to inform the House that a number of objections to the Electoral Boundaries Commission reports have been filed with the Speaker. Since they are numerous, if the House agrees, the texts of the objections will be printed as appendices to the *Votes and Proceedings*. Is it agreed?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

AN ACT RESPECTING THE TAX COURT OF CANADA AND TO AMEND THE FEDERAL COURT ACT, THE JUDGES ACT AND THE UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO ESTABLISH AND TO AMEND

Hon. Mark MacGuigan (Minister of Justice) moved that Bill C-167, An Act respecting the Tax Court of Canada and to amend the Federal Court Act, the Judges Act and the Unemployment Insurance Act, 1971, be read the second time and referred to a Committee of the Whole.

He said: Mr. Speaker, I am very conscious of the importance of not detaining the House very long. However, I think I should outline very briefly the salient points of Bill C-167 and the reasons for the changes introduced by that Bill.

First, the Tax Review Board is continued under the name of the Tax Court of Canada as a court of record. We believe that such a change in the name of this tribunal will improve the perception by the general public of its nature. The Tax Review Board has been considered by many taxpayers as an arm of the Department of National Revenue or of the Government of Canada. The present name of the Tax Review Board is known to have given the mistaken impression that the Board had an interest in the outcome of actions before it.

This change will also reflect the exclusively judicial nature of this tribunal. It is inappropriate to maintain an impression that it is an agency or a board of the federal Government rather than a court of law.

The conversion of this Board into a court of law had been recommended by the Canadian Bar Association to the Royal Commission on Taxation (the Carter Commission). In turn, the latter commission, among its many recommendations which gave rise to the 1972 tax reform, proposed the creation of a tax court. More recently, the Canadian Bar Association was consulted by my predecessor and that association fully endorsed the proposal regarding the change in name and status of the Board.

I stress, however, that the Government does not want to make more difficult the taxpayers' access to this tribunal, nor does it want to introduce formality in the conduct of the board's proceedings—quite the contrary. It is provided in subclause 14(1) of the Bill that an appeal to the Tax Court of Canada does not require any special form of pleadings. Subclause 14(2) sets out that the Court is not bound by the technical rules of evidence. The same Subclause goes even further and states that all appeals are to be dealt with by the courts as informally and expeditiously as circumstances and considerations of fairness permit.

• (1850)

From Clause 15, it is apparent that the taxpayer may appeal to the Court in person or may be represented by a lawyer, friend or any other person of his choice. The Court cannot award costs on the disposition of an appeal. The substance of all these provisions is now found in the Tax Review Board Act.

A second change proposed by the Bill has to do with certain amendments to Part IV of the Unemployment Insurance Act, 1971. It should be recalled that Part IV of the latter statute is, at the present time, administered by the Department of National Revenue. Appeals under that part are now heard by umpires who, in practice, are the judges of the Trial Division of the Federal Court of Canada.

The transfer of jurisdiction to the Tax Court of Canada is desirable on account of the fact that the handling of UI appeals on the coverage side more properly fits a court like this tribunal than a court of superior jurisdiction like the Federal Court of Canada.

The appeal system against a decision of the tribunal of first instance in appeals under Part IV of the Act will be simplified in that all decisions of the Tax Court of Canada will be the subject matter of a single review under Section 28 of the Federal Court Act. At the present time, the decision of an umpire with regard to an appeal under Part IV of the Unemployment Insurance Act, 1971, can be appealed pursuant to Section 86 of the latter Act to the Pensions Appeal Board with leave of that Board in respect of a question of law involving

Section 3 of that Act and can be subject as well to an application for review under Section 28 of the Federal Court Act on all other questions involved in that decision. It is to be noted that there is no change in the appeal system regarding benefit cases.

Part III of the Judges Act is also amended so as to entrust the Commissioner for Federal Judicial Affairs with the management of the affairs of this tribunal. The considerations which prompted the Government a few years ago to transfer the administrative duties and functions relative to the staff of the Federal Court of Canada from the Department of Justice to the Commissioner for Federal Judicial Affairs are equally valid in this case. This is done with a view to further enhancing the independence of the judiciary in Canada and ensuring to the greatest possible extent, consistent with the principles of the ministerial responsibility of a parliamentary system of Government, that the administration of judicial affairs is to be separate and apart from the administration of the affairs of the executive branch of the Government.

[*Translation*]

Finally, the Government is proposing to increase the number of members of this tribunal from seven to twelve. The rapid increase in appeals from income tax payments and the new jurisdiction of this court with respect to appeals under Part IV of the Unemployment Insurance Act, 1971, are ample justification for this increase. In this respect, I would like to note that the number of members has remained the same since the Act was passed in December 1970.

[*English*]

Mr. Speaker, I commend this Bill to the support of the House, and again I express my gratitude to the Members of the Opposition for their co-operation and for being prepared to consider this Bill at all stages today.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I appreciate being afforded the opportunity to show the spirit of co-operation for which I and my Party are known, by zooming through this legislation with dispatch. Nonetheless, we do take these pieces of legislation very seriously. I know that the kind of co-operation I have demonstrated today will be reflected by the Government House Leader tomorrow when I introduce a Private Members' Bill which will ask for unanimous consent of the House. I simply enter into my remarks on that basis so that he will understand the import of my imprecations.

I would like to talk about the creation of a Tax Court in Canada as contemplated by this Bill. It was stated by the Minister in a press release of May 25, 1983, that the Tax Review Board is to be designated as a court of law and the board members are to be made judges so as to dispel "the impression that it is merely an agency of the federal Government with an interest in the outcome of the actions that are brought before it."

On the basis of my experience, Mr. Speaker, I must agree, and I am sure Members of the House of Commons will understand, with the move which is now being made because of the growing number of appeals of income tax and other tax related cases. The litigants involved in these cases want to have at least the impression that there will be an impartial adjudication of their problems.

The quasi-judicial or administrative board approach of the Tax Review Board, while again being served by distinguished Canadians, has lent itself to the unfortunate perception that the Board has been an extension of the Department of National Revenue. Indeed, there is some basis upon which the litigant might have some apprehensions in this regard, because dealing with a quasi-judicial or administrative tribunal is not the same as dealing with a court of record.

In a court of record, the judge has very substantial independence in terms of tenure and there is very little possibility of Government influence under normal circumstances. I say in the spirit of co-operation that it should not be possible to influence judges of a court of record even by a telephone call from a member of the Treasury Branch or a Minister of the Crown. The idea is that a judicial member of a court of record does have independence in terms of that kind of political pressure which, from time to time, might in some circumstances be attempted to be exercised on that person.

In the case of an administrative tribunal, there are considerations of reappointment and of benefits. Indeed there has been some litigation with respect to the independence of the courts in Canada in recent months that has challenged whether or not provincially appointed judges are truly independent because of the fact that matters of benefits and income, of determination of their circuits and workload, are in fact regulated by a Civil Servant or a member of the Department of Justice in a particular Province.

We are then asked to create a new court to dispel the impression that the Tax Review Board was not a truly independent tribunal. How does this Bill seek to achieve that objective? First, all current members of the Tax Review Board will continue in office as judges of the Tax Court. The current chairman will be renamed as Chief Judge of the Court and the assistant chairman who is, incidentally, a former associate Deputy Attorney General and was appointed on June 6 of this year, will be renamed and appointed as Associate Chief Judge of the Court.

Second, the Bill establishes the qualifications for appointment to the Court. One must be or have been a judge of a Superior, County or District Court in Canada or be a barrister or advocate of at least ten years' standing in the Bar of any of the Provinces. Yet in Section 24 of the Bill it is stated that all Tax Review Board members would continue in office despite any of the Bill's provisions such as the varied qualifications required of a Tax Court Judge.

While I understand the fact that there must be a transition period, initially the same crowd will continue on under new appointments. Indeed, Mr. Speaker, Tax Review Board members are exempted from the residency requirements of the Bill. Judges must reside within the National Capital Region or within 40 kilometres of it. This exemption did not appear in the omnibus Bill C-159, but it has been slipped into the new split Bill.

• (1900)

What of the procedures that will be followed by the new court? Will they change the impression that judges are merely extensions of the Government or departments of the Government? At the present time the Board is not bound by any legal or technical rules of evidence in its hearings. Further, its empowering statute states that it must dispose of all appeals informally and expeditiously, keeping in mind considerations of fairness and the circumstances of the case.

The new tax court will hold hearings on appeals under the same set of rules as those which govern the Board. Indeed, Clause 14(2) of the Bill is identical in every respect with Section 9(2) of the Tax Review Board Act. We are, therefore, creating a court of law which will not be bound by legal and technical rules of evidence.

It is interesting to note as well that Clause 18 of the Bill precludes the tax court from awarding costs on the disposition of an appeal.

The point is, Mr. Speaker, that the Government cannot have it both ways. I want to make this observation for the consideration of the Minister. On the one hand the Minister claims to be dispelling an impression that the Tax Review Board is an agency of the Government. He is attempting to do this through the creation of a tax court. On the other hand, we find that all Board members will continue as judges, that they need not meet the qualifications of judges and that they need not meet the residency requirements of judges.

Further, the rights of litigants before the court in terms of the rules of evidence and the awarding of costs in appropriate circumstances, are cast aside. Clearly the Minister is merely changing the name of the Tax Review Board, cloaking it with the distinguished character of a court while in many respects leaving it substantially unchanged. This reflects not only on the legitimacy of the tax court but, it seems to me, the Government is relying more on form than on substance with respect to this Bill. I have serious concern about the legitimacy of the tax court but I am also concerned that a move like this might affect the operation of that court.

In our system if a court is to be a court of record with judges appointed, there is protection in terms of the independence of the judges and, therefore, a very dramatic and substantial effort has to be undertaken if a member of any court in this country has to be removed from the bench. By the same token, when there is that kind of protection the judges of the court are normally obliged to abide by certain rules of evidence and procedure. This protection is not provided for lawyers or any elite group; it is there so there are clearly defined rules to ensure that a litigant's case will receive proper and impartial consideration. That is the purpose of rules of evidence. They are not there to accommodate lawyers or judges so that they can develop their own jargon.

There is a good reason for rules of evidence, Mr. Speaker, and I want to draw my observation to the attention of the Minister. I understand the necessity for informality at the Tax Review Board so that people who appear without counsel are not intimidated. But I wonder whether, going the court route, we should not give serious consideration to monitoring the operation of that court. Perhaps we should reconsider the question of whether that informality is appropriate for a court of record.

I make that observation without drawing any conclusion. When I read the Bill it occurred to me that if we are going the court route we should go the whole way. There may be some places where we will need rules of evidence. I know the Canada Evidence Act is before the Senate at the present time and debate is going on there with respect to rules of evidence and the way judicial proceedings should be conducted. I think that is the appropriate place to have a full and proper consideration of the way the court would be conducted rather than changing the Tax Review Board to a tax court and leaving it with its own informal procedures and technical rules of operation.

If a situation should occur where a judge of that court, due to lack of confidence or some other reason, were to abuse his or her position, the old remedies are not available to the Department of Justice or the Department of National Revenue, or whoever administers the Tax Review Board, to deal with that problem. These will be independent judges, free from interference by the Department of Justice or the Department of National Revenue. I am somewhat concerned about going part way on the rules of evidence and technical requirements of the new tax court.

I know the Minister is giving serious consideration to judicial appointments and my remarks apply to the previous Bill which dealt with the expansion of Superior Courts and the Federal Court as well as to this Bill. The Minister will be supported in any move to increase the number of women appointed to the bench. I think that is a nonpartisan issue in the House. All Parties are in favour of increasing the number of women in the courts of the country. I have lectured at the College of Law at the University of Saskatchewan and have been amazed to see the transformation that has taken place. The number of women enrolled in colleges of law in this country has grown to the point where there are as many women as men. Generally speaking, they do exceptionally well; only a few do approximately as well as I did when I went through law school. Most women are very determined, dedicated and outstanding students.

In my own City and indeed, in my own firm, I have been amazed at the transformation that has taken place in the way that women have become leading counsel and solicitors. When my sister graduated in law in the late 1960s there was still resistance to women lawyers in law offices. If a client was asked to see a woman lawyer in the firm it was almost like asking them if they would like a case of the flu. You could see them shrug and move away. That kind of stereo-typing has gone. Women are actively, effectively and aggressively participating as members of the Bar. But only 4 per cent of our judges are women, Mr. Speaker.

I want to point out to the Minister that this Party would be very supportive of the appointment of more women to the

bench. The Minister will find that there now is a larger body of women to choose from because the increase in the number of women graduates from law school means there are many with ten or 15 years experience at the Bar who can meet the 10-year requirement for appointment to the Superior Court.

• (1910)

I wanted to bring to your attention, Mr. Speaker, some of my concerns about some aspects of the Bill. We are prepared to support the Bill and see it passed, however, I would hope that the Minister, on behalf of the Government, would state that it will be monitoring the operation of this new tax court for the purpose of determining whether or not the informality and the appropriateness of that kind of informality for which the Tax Revenue Board is known will be considered, in light of the new status of the Court as a court of record.

The Acting Speaker (Mr. Blaker): May I indicate to the House that I apologize for the lack of uniform. I had misunderstood the expectation as to whether or not the House would be sitting over the dinner hour.

Mr. Beatty: Mr. Speaker, that's your summer uniform.

The Acting Speaker (Mr. Blaker): I want to assure the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) that if the House would provide the occupants of the chair with summer uniforms we would be very grateful.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and the House went into committee thereon, Mr. Blaker in the Chair.

The Deputy Chairman: Order. House in Committee of the Whole on Bill C-167, an Act respecting the Tax Court of Canada and to Amend the Federal Court Act, the Judges Act and the Unemployment Insurance Act, 1971.

May I indicate to the House that there are 59 Clauses to this Bill. Perhaps it is the mood of the House to put them all through at once. I intend to call all Clauses at once. Of course, I will recognize any Hon. Member who may wish to speak on any Clause.

Mr. MacGuigan: Mr. Chairman, I would like to make one comment in reply to the Hon. Member opposite with respect to the rules of evidence applied by the Court. I would just like to draw to the attention of the House that Clause 14(2) leaves to the discretion of the Court how formally or informally it shall apply the rules. For instance, if the taxpayer is represented by a lawyer the Court may decide to apply the rules of evidence. That subsection states:

> Notwithstanding the provisions of the Act under which an appeal is made, the Court is not bound by any legal or technical rules of evidence in conducting a hearing for the purposes of that Act, and all appeals shall be dealt with by the Court as informally and expeditiously as the circumstances and considerations of fairness permit.

Of course, as the Hon. Member suggests, we will monitor the operation of the Court to see how this does work in practice.

I wonder if Hon. Members of the other Parties have any particular points they wish to raise? I realize that the New Democratic Party would wish to raise the same amendments again with respect to this Act, Mr. Chairman, but I do not know whether it will be satisfied by the fact that they have already been negatived on the first Bill. Perhaps we might have an indication as to whether we can proceed and take all the Clauses together without moving the separate Clauses?

Ms. McDonald: Mr. Chairman, I am agreeable to dealing with the Clauses all together. I believe my points apply to this Bill. However, since they have been voted down, I believe I will simply accept that the point has been made and I hope there will be further consideration.

The Deputy Chairman: In that case, I will put to the House the question as to whether or not Clauses 2 through 59 shall carry.

Some Hon. Members: Agreed.

Clauses 2 to 59 inclusive agreed to.

The Deputy Chairman: Shall the Schedule carry?

Some Hon. Members: Agreed.

Schedule agreed to.

The Deputy Chairman: Shall Clause 1 carry?

Some Hon. Members: Agreed.

Clause 1 agreed to.

The Deputy Chairman: Shall the title carry?

Some Hon. Members: Agreed.

Title agreed to.

The Deputy Chairman: Shall the Bill carry?

Some Hon. Members: Agreed.

Bill reported, read the third time and passed.

* * *

CANADA-GERMANY TAX AGREEMENT ACT, 1982

MEASURE TO AVOID DOUBLE TAXATION

Hon. Paul J. Cosgrove (Minister of State (Finance)) moved that Bill S-24, an Act to implement an agreement between Canada and the Federal Republic of Germany for the avoidance of double taxation with respect to taxes on income and certain other taxes, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I am mindful of the wish of the House to have the time of remarks kept to a minimum. I do have a few brief remarks and I understand there are one or two Hon. Members as well who would like to make comment.

The purpose of Bill S-24, Mr. Speaker, is to implement an agreement between Canada and the Federal Republic of Germany for the avoidance of double taxation with respect to taxes on income and certain other taxes. In addition, the Bill provides that the Governor in Council may, subject to resolution of Parliament, give effect by Order in Council to any supplementary agreement.

On this latter point, Mr. Speaker, Bill S-24, as passed by the Senate, is different from that before us, and introduced by the Government, and I will have a few comments to make on that point.

When in force, the proposed agreement will replace the 1956 agreement between the two countries. The agreement with Germany follows the pattern of similar agreements concluded by Canada over the past several years. I believe there are 32 such agreements with other countries.

At this point, Mr. Speaker, I would like to thank the Hon. Member for Mississauga North (Mr. Fisher) for assisting the Minister in preparation of the form of this Bill here before us. There are a number of changes which had to be reviewed. The Senate material had to be reviewed and the work which he gave in preparation to getting to this point has to be commended. In addition, I would at the same time like to commend the efforts of the Hon. Member for Prince George-Peace River (Mr. Oberle) who, as Hon. Members know, has taken an interest in this subject and has been of assistance to the Government in seeing that the legislation has reached this point for conclusion.

This agreement, Mr. Speaker, generally provides that dividends can be taxed in the country of source at a maximum rate of 15 per cent. A general rate of 15 per cent is also provided in the case of interest arising from one country and paid to a resident of another country. However, there is an exemption for certain types of interest such as that paid on Government bonds or to the Export Development Corporation, or the German equivalent of same. Patent royalties and technical know-how payments are subject to a maximum tax of 10 per cent in the source country, and copyright royalties in respect of literary, dramatic, musical and artistic works are exempt. Capital gains from disposition of real property or business assets and of shares in companies, the assets of which consist principally of real estate, may be taxed in the country in which the property is situate. Pensions and annuities arising in one country and paid to a resident of the other country may generally be taxed in the country in which they arise. However, war veterans' pensions and benefits under the social securities legislation in the country will be taxable only in that country. I can understand, Mr. Speaker, therefore, the interest and the consent of Hon. Members in seeing this legislation passed. It should be noted that this provision will be applicable from 1978, and it will be of benefit to several thousand residents of German origin. The agreement also contains the usual provisions concerning relief from double taxation, non-discrimination, mutual agreement procedure and exchange of information.

• (1920)

I want to go back now, Mr. Speaker, to the question of supplementary agreements. The Bill introduced in the Senate on February 2, 1982, contained clauses designed to ensure that the agreement can be kept up to date as a result of changes in the tax systems of Canada or Germany. These clauses ere in line with those approved by Parliament in the past with some 32 countries. But during the Senate proceedings, the Senators made a number of amendments to the Bill. They were primarily concerned with the power of the Government to amend the agreement by means of a supplementary agreement made by order of the Governor in Council. In order to limit the power given to the executive by the Bill to modify or amend the Canada-Germany Taxation Agreement, they made the following change by amending Clause 5(1) to provide that a supplementary agreement:

—shall not, in any manner, impose a greater tax burden on any person than the one to which such person might be subject, but for this Act, as may be amended from time to time—

The second change was to amend the provisions of Clause 6 relating to the negative resolution procedure that applied to the supplementary agreement inter alia through reducing the number of Members in both the House and the Senate who could initiate the procedure I just referred to.

The first mentioned amendment, Mr. Speaker, is not acceptable in that it carries the clear implication that a double taxation treaty can impose taxes, whereas it is generally recognized and accepted by the courts that such a treaty can only reduce or relieve taxes. While I would be quite prepared to accept the addition of some language to Clause 5(1) that would meet the legitimate concern of the Senators, by qualifying the power of the executive to revoke existing agreements, the specific language passed by the Senate is not acceptable to the Government and must be removed.

With respect to the amendment moved in the Senate concerning the negative resolution, I see some merit in keeping them as they represent an improvement over the one previously agreed to by Parliament. The only difficulty I have is with the reduction from 50 and 20 to 20 and 10 in the number of Members or Senators respectively required to file a motion. The Government has proposed a compromise, which I understand is acceptable to Members of the House. So I am suggesting a compromise solution of 30 and 15 respectively.

Germany has been ready for some time to ratify the agreement and is anxious to put it into force, as are we. The amendments introduced by the Senate have to be considered by law officers of the Crown. Department officials and I have reviewed them, assisted by the Parliamentary Secretary to the Minister of Finance (Mr. Fisher), and we believe that it is now time to have this Bill passed and the agreement put into force.

I will conclude by thanking the Hon. Members for their support of this legislation as it will help a considerable number of Canadians. At the appropriate stage in Committee of the Whole I will move two amendments which Members have seen.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I will join in this great spirit of co-operation in which the House finds itself this evening and make my brief comments with respect to this important measure and landmark agreement between Canada and the Federal Republic of Germany.

The Minister has given a fair assessment of what the Bill is intended to do. He has also given a fair assessment of the difficulty associated with bringing this Bill before the House for ratification, and a fair assessment of the amendments he thought, and indeed, I agree, were necessary to improve the Bill so that it can receive the ratification of the House. Indeed, the Minister has given a fair assessment of my involvement with the Bill and I thank him very much for making reference to that.

It was on July 17, 1981, Mr. Speaker, during the Summit Conference held here in Ottawa that the Prime Minister (Mr. Trudeau) of Canada and the Prime Minister of the Federal Republic of Germany signed this agreement which, in the opinion of many, was long overdue. Canada already has, as the Minister says, about 32 agreements like this. Indeed, there was a previous agreement with the Federal Republic of Germany dating back to 1956. However, there was one serious flaw or shortcoming in that agreement which has been corrected in Article 18, the most important Article in this Bill, dealing with the double taxation of pensions.

There are roughly 1.5 million people in this country who are Canadian citizens of German ancestry, many of whom have earned certain pension rights in the old country and are entitled to benefits. There are also German nationals living out their declining years with their relatives here in our country.

The Bill was introduced in the Senate on February 2, 1982, which was about the same time or shortly after the Parliament of the Federal Republic of Germany ratified the agreement. On July 7, 1982, the Senate passed the Bill but, as the Minister pointed out, it had certain flaws. It took until now to correct those flaws and get the Bill before this House.

For some of the people who have written and telephoned me over the last two years it is difficult to understand why it should take so long. Indeed, some of them suspected ill intent by the Government and accused us of discrimination against German nationals because of all the agreements we have with other countries. I can assure these people today that there was no ill intent. The Bill had some real difficulties.

It is particularly difficult for German nationals to understand this because many of them left Germany to escape bureaucracy and over-regulation. They came to this country because there is greater freedom and control over one's own personal life. They have now experienced bureaucracy in Canada. It can be equally insensitive to the real needs of people as other bureaucracies.

As the Minister has outlined, the Bill affects capital, taxes on total income, total capital, or elements of income or capital, including taxes on capital gains, taxes on the total amount of wages or salaries paid by enterprises as well as taxes on capital appreciation. Because all of these things fall under the Income Tax Act in our own country, that would be the only Act which will be effective. In the Federal Republic of Germany it will be the income tax or the *Einkommensteuer* provision, the corporation tax of *Koerperschaftsteuer*, the capital tax or the *Vermoegensteuer*, and finally the trade tax or *Gewerbesteuer*, with which German nationals are familiar.

Even though this measure is long overdue, I am delighted to be able to participate this afternoon in the passage of this Bill through all stages, and to report tomorrow to the many people who have written to me and many of my colleagues on both sides of the House that this matter has finally been dealt with and ratified.

Incidentally, in the case of the double taxation of pensions, the measure is retroactive to 1978. So, many people affected by this Bill will indeed get a sizeable refund on taxes they have paid over the years. I am sure the Minister will join me in wishing these people many happy years during which they can spend those hard-earned dollars.

• (1930)

Let me just close by thanking my colleagues on this side of the House, our House Leader and the President of the Privy Council (Mr. Pinard) for making this special accommodation this afternoon, one day before recess, to assure that this matter will be dealt with in this tax year. I give my particular thanks to the Minister for his assistance in making this accommodation.

Mr. Cyril Keeper (Winnipeg-St. James): I have just a few brief words to say in joining in the spirit of co-operation in the House today. We in the New Democratic Party welcome this agreement between Germany and Canada which will avoid double taxation. Obviously, taxation of any form is burdensome to carry these days, let alone double taxation. There are some 1.5 million people of German ancestry in this country. The legislation will avoid double taxation as it affects pensions in particular, retroactive to 1978. While the legislation is long overdue, I am sure that the people who are affected, those who have been writing to us all and calling for changes in the legislation, all citizens of German ancestry in Canada, would simply say "Danke" to this Chamber.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I just want to say a sentence or two and express my appreciation that the measure has been dealt with now and take this opportunity to point out to the Minister that many Canadians are concerned about the impending agreement with the United States, a reciprocity agreement on tax measures. There are many self-employed people in Canada who are facing double taxation as a result of the present tax structure with the United States and there are many Canadians in the United States who suffer that way. I would ask the Minister, when he is responding to the Bill in its later stages, whether he would speak to that issue and give us some clarification as to the position we are now in and give us some hope that perhaps the legislation dealing with the agreement with the United States may be passed very shortly.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

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

The Deputy Chairman: House in Committee of the Whole on Bill S-24, which apparently consists of seven clauses. As previously ruled, I will be pleased to recognize Hon. Members or Ministers who may wish to address themselves to these clauses. I understand that there may be some amendments. I am informed that there may be three of them.

Accordingly, shall Clauses 2 through 7 carry? I will recognize the Hon. Minister of State for Finance.

Mr. Cosgrove: Mr. Chairman, I indicated that there were three amendments and I indicated the areas in the Bill. I could quickly outline the first amendment. I move:

That sub-clause 5(1) of Bill S-24 be amended by striking out lines 10 to 19 on page 2 and substituting the following:

—"supplementary agreement relating to the avoidance of double taxation with respect to taxes on income and on capital between the Government of Canada and the Government of the Federal Republic of Germany intended to alter, revoke, replace or add to the Agreement is approved by Canada, and, when the"—

I made reference to the Senate comments, and this is a compromise amendment. While I am on my feet, I think it would be useful to the House if I indicated my intention to move a second amendment as follows:

That sub-clause 6(2) of Bill S-24 be amended by striking out lines 6 to 8 on page 3 and substituting the following:

—"thirty members of the House of Commons in the case of a motion for the consideration of the House and by not less than fifteen"—

I also indicated that that originated as a result of the amendments moved by the Senate.

Finally, I would move a technical amendment as follows:

That the French version of sub-clause 6(3) of Bill S-24 be amended by striking out line 8 on page 3 and substituting the following:

"jours de séance suivant sa remise, sauf si l'autre Chambre a déjà étudié et adopté une motion visant la même fin."

I move those three amendments. Mr. Chairman, I would simply conclude by responding to the Hon. Member who inquired as to the status of the similar agreement with the United States of America. That agreement has been signed, but it is not in force. I am pleased, however, to report to Hon. Members that work has proceeded between Canada and the United States in terms of actually putting that agreement into force.

As a matter of fact, last week in Ottawa the Minister of Finance signed a protocol with the Ambassador for the United States, clearing away, we think, all of the remaining items that would be a bar to the actual implementation of the agreement.

One difficulty does remain, however, and it rests with the United States of America. I understand that the Senate is reviewing some of the provisions of the agreement, the agreement having been signed a number of years ago. With changes in administration and in Government, there have been some questions. However, we are hopeful that, with the signing of the protocol last week, there should be speedy consideration by the Senate and, we are hopeful, a successful one. The information with which we have been provided is that it will be done in the very near future.

The Deputy Chairman: I think the House will recognize that it is not in the usual form to have several amendments placed at the same time. However, I am under the impression that Hon. Members are agreeable to that procedure.

Accordingly, what I will do now is to proceed, clause by clause, and mention the amendments suggested by the Minister.

Clauses 2 to 4 inclusive agreed to.

Amendment to Clause 5(1) agreed to.

Clause 5 (as amended) agreed to.

Amendment to Clause 6(2) agreed to.

Amendment to Clause 6(3) agreed to.

Clause 6 (as amended) agreed to.

Clause 7 agreed to.

Schedule I agreed to.

Schedule II agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported and read the third time and passed.

* * *

• (1940)

MISCELLANEOUS STATUTE REPEAL ACT

MEASURE TO ESTABLISH

Hon. Mark MacGuigan (Minister of Justice (for Mr. Gray)) moved that Bill C-119, an Act to repeal certain Statutes that have ceased to be in force or have become unnecessary, as reported (without amendment) from the Standing Committee on Miscellaneous Estimates, be concurred in.

Motion agreed to.

Mr. MacGuigan (for Mr. Gray) moved that the Bill be read the third time and do pass.

Mr. Peter Lang (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, this is basically a housekeeping Bill to repeal 124 statutes that are obsolete.

Since the Bill has been debated fully in second reading and at committee stage, I do not propose to take the time of the House to detail the Bill.

By repealing all the known obsolete statutes through this Bill, demands on limited time of Parliament will not be unnecessarily multiplied. Of course, further work on legislative housecleaning will be necessary. This project is ongoing and most Departments have already begun the task of reviewing the regulations in order to identify further obsolete provisions.

In conclusion, passage of the Miscellaneous Statute Repeal Act following publication of the first edition of the regulatory agendas on May 31, 1983, is further confirmation of the Government's commitment toward regulatory reform and improving communication and consultation with the private sector.

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, if any Member of the House had any doubt as to whether or not there was such a thing as eternal life, one need only look at some of the programs and statutes that have found their way into the books of Canada. Certainly during my ten and one-half years in Parliament, there have been very few instances when Parliament has actually acted to reduce the encumbrances that have been hoisted on the Canadian people by passive Parliaments or that have been added in the terms of new costly programs.

To the extent to which anything is being done this evening in repealing statutes which are obsolete and no longer used, some progress is being made. However there should be no confusion between what is before us today and any substantive meaningful attempt at regulatory reform. Indeed, to the extent to which the Government is trying to sell this Bill before us tonight as regulatory reform by proposing that this in some way meets the demands for regulatory reform from Canadian people at the present time, it is misleading Canadians and putting something before the Parliament of Canada which does not achieve the purpose which it has been discussing. When the Minister spoke to this Bill at second reading, he spoke as if the initiative had begun in the fall of 1980. In fact, the initiative for an omnibus repeal Bill began under the Clark Government. I was the Minister responsible for regulatory reform and, in conjunction with Senator Flynn, who was the Minister of Justice at the time, it was our intention to introduce an omnibus repeal Bill which would sweep away many of the statutes which had become obsolete and no longer used. Unfortunately, we were prevented from doing that by the election.

That was only to be one very minor part of regulatory reform. There were far more substantive issues to be addressed. I might add that there are far more substantive things that remain to be done today, some four years later.

During the tenure of our Government we proposed to Parliament a sunset Bill which would restore to Members of Parliament the right and responsibility of reviewing programs and statutes which had been put in place in order to determine whether they were still needed and still provided the best vehicle to serve the needs that Canadians had expressed. Nothing has been done by the Government to put sunset legislation into place. That initiative simply died with the death of the Clark Government.

There are other initiatives that were intended as well. We had expected that a major program of regulatory reform would be undertaken in many instances to streamline and make more fair and efficient the process of regulations.

I want to express my disappointment tonight, as chairman of the Joint Committee on Regulations and Other Statutory Instruments, that notwithstanding the fact that the committee's fourth report was introduced some years ago in which we made major recommendations for improvements to the process of regulations in Canada that would be more fair to permit Parliament to discharge its responsibility to the people of Canada, virtually nothing has been done by the Government to act on that report. Indeed, when I moved concurrence in that report, the Government voted to prevent the matter from even being debated. We simply have not heard of it since that time.

We had also intended to undertake a program of deregulation to return to the market place and to individual Canadians the right to determine in so many instances what the policies would be and how they would live their lives. With the election of this Liberal Government we have found that that initiative has faltered. We have found vast new amounts of Government regulation, Government spending and vast intrusion by the Government into the day-to-day lives of Canadians.

What has the Government done. It has taken one positive step. It has proposed a regulatory calendar, which again is an idea of which we approved. It would give some notice to Canadians of proposed regulatory initiatives by the Government over the course of a year. It is a sensible move and it is hard to understand why the Government would take so long to act upon it.

It has proposed this measure which would do away with some obsolete statutes which have been long since forgotten. I understand that some parliamentarians would show concern about repealing an Act for the control and extrapolation of foot and mouth disease. I am relieved, from reading the notes, that the provisions of this Act have been incorporated into the Animal Disease and Protection Act and that Parliament is safe from having these provisions simply stripped away from us.

No doubt Members will be disappointed to discover that the Volunteer Bounty Act of 1908 is being swept away. According to the notes, the purpose of this Act was to grant volunteers who served with the British Forces in South Africa during the Boer War between 1899 and 1902 domicile in Canada, or with the Canadian Corps, two adjoining quarter sections of Dominion lands or $160 in script in lieu of the land.

There are other Acts which I am sure Members will be astonished to discover are being swept away. For instance, there is the Gold Clauses Act. There is the Hemp Bounties Act of 1923. It is an Act which authorized the payment out of the Consolidated Revenue Fund of bounties for hemp grown,

manufactured and sold in Canada. Because these bounties were payable only during 1926 and 1933, the Act is considered spent. There are apparently no outstanding claims for bounties.

It will come as a shock to Members that all of these measures are being swept away, when I know that so many of us have mentioned support for these measures in our brochures at election time. We will have to tell our constituents that with this Government, so vigilant and anxious to regulate and propose programs, if any gaps are found it will quickly move into the void and provide the services which Canadians did not realize were being provided previously by these programs.

• (1950)

What else have the Liberals done? They have changed the jargon. We heard before about deregulation. The jargon was then changed to regulatory reform. I think that was the expression we used in our tenure in Government; it made sense. They have two new buzzwords. Regulatory reform has been dropped, and now the in-jargon is managing regulation. One can speculate on what that really means. There is a better one; re-regulation. I believe I heard the Minister of Communications (Mr. Fox) use that expression the other day. It may seem that the difference is only semantic or an exchange of euphemisms, but in fact the difference is more profound than that. It goes to the philosophy of the Parties in power.

We were determined to do two things during our term in office. The first was to make more fair and more effective the process of regulation and to plug Parliament back into the picture to ensure that Members of Parliament would do the job they were sent down here to do. The second thing, one which was at least as important, was to begin to roll back some of the regulatory intrusion into the day-to-day lives of Canadians and to return to the efficiency of the marketplace for making many of the decisions which are now made by the Government. That is what deregulation means. It has to do with one's philosophy, whether one feels that Government is too big, too costly and too intrusive into the day-to-day lives of Canadians. That was our feeling and it remains our feeling. It would be a priority of a Progressive Conservative Government to begin the work of deregulation.

We now hear about managing regulation or about re-regulation. We have a Government in power with the philosophy that perhaps it will tinker in the periphery. It is prepared to act boldly to abolish statutes which are long since obsolete and which no Member of Parliament even remembered were on the books. It will act boldly in that area. It is prepared to talk and to commission a task force on regulatory reform—which has come and gone with very little to show for it. It is prepared to talk about processes, but it is not prepared to act. Most important, it is not prepared to take action to reduce the size of Government.

The other measure the Liberals undertook which would be of some value to Canadians was the measure to shorten the period during which individuals or corporations would have to retain records. That is helpful. Nobody quarrels with that, but it was not a great blow being struck for the people of Canada to have a sensible measure like that initiated.

If we want to determine whether or not there has been any progress in the past three and a half years in the whole issue of regulatory reform I suppose the best way would be to ask ourselves to remember what Canada was like three and a half years ago. If we left the country then and returned this summer, would we find a country which is more encumbered by regulation or less encumbered? Would we find a Parliament that is more able to do its job of holding the Government to account or less able? Would we find a Government that is extended even further into the day-to-day lives of people, making decisions which people should be making for themselves, or would we find a Government that is smaller? Would we find a Government that is more costly and that has confiscated more of our national wealth, or would we find a Government in which spending has been brought under control and has begun to lead by example instead of by simply preaching the virtues of restraint?

In each of those criteria we would find that we have a Government which has grown in size, in cost and in intrusiveness, at the expense of the wealth and the liberty of the people of Canada; at the expense as well of Members of Parliament who believe that it is their responsibility to hold the Government to account, to examine Government proposals, to sweep away from time to time measures which have long since outlived their usefulness, and to protect the civil liberties of Canadians. The simple honest truth is that we have not done our job in this Parliament; we have allowed the Government to usurp unto itself more power, more of the national wealth.

What is the reason for that? Will regulatory reform, regulatory management, or whatever jargon, succeed? Will this program succeed under the President of the Treasury Board (Mr. Gray) and under this Government? I fear it will not. I fear that the next time we will see any bold initiative taken for regulatory reform, it will be with a change in Government. What we have in this Minister and what we have in this Government is an administration that believes in increasing the size of Government and in increasing its own power at the expense of ordinary Canadians.

All the incentives, all the rewards and all the momentum in Government is for Government to become more intrusive, not less intrusive; to spend more, not less; to become more bureaucratic, not less bureaucratic. As politicians, the rewards received are for proposing new programs, not for taking programs away. Bureaucrats are judged on the strength and the size of their budgets, the size of the complement working for them and the extent of their responsibilities. Ministers are judged in much the same way. All the rewards in our system are for increasing the size and cost of Government.

The only way we could hope to reverse that momentum and get Government moving in the other direction would be to have the political will, where politicians exert their control on the machinery, where they demonstrate that they believe it is time to swing the pendulum away from Government and back toward the people of Canada, and that it is time to reduce the

size of Government and enhance the power and prestige of ordinary Canadians. Until there is an administration in office in Ottawa which believes that and is prepared to fight for it, and to show leadership to Canadians, any proposals for regulatory reform are simply housekeeping, such as this measure is today.

As Members of Parliament we should recognize that our responsibilities are similar to tending a garden. In order for there to be benefits, we have to fertilize and water; but just as importantly we have to weed and to prune. There is no shortage of fertilizer in the House of Commons.

Mr. Cosgrove: Or hot air.

Mr. Beatty: As the Minister of State for Finance (Mr. Cosgrove) aptly points out from his seat, there is no shortage of hot air, as he knows. There is no shortage of water, but there is a shortage of people who are prepared to cut back on the size of Government and to do the weeding and pruning which is essential from time to time. There is a shortage of will on the part of Ministers of the Government to restore to Parliament its right and responsibility to review programs.

It is bizarre; the Minister of National Revenue (Mr. Bussières) shakes his head, yet he is the Minister presiding over the Canada Development Investment Corporation. One of its sudsidiaries, Canadair, had the largest corporate loss in the history of Canada, a $1.4 billion loss, yet that Minister systematically refuses to be candid with Parliament. He systematically refuses even to allow the Auditor General of Canada, Parliament's Auditor, to audit the books of CDIC.

Mr. Bussières: You do not know what you are saying.

Mr. Beatty: He shakes his head when I say that the Liberals are anxious to retain power to themselves, not to share it with others.

Mr. Bussières: What did you do when you were in office? You did nothing.

Mr. Beatty: I am hearing from a guilty conscience on the other side. The Minister is determined to bypass Parliament to put in place the largest and most costly holding company anywhere in Canada. He refuses to allow Parliament to have proper access to its books. In addition, he refuses to allow the Auditor General of Canada to do his job.

Mr. Bussières: Oh, oh!

Mr. Beatty: The Minister who is trying to drown me out from his seat has the temerity to say that the Government has a willingness to share power with Parliament and with the people of Canada. Ultimately leadership is leadership by example, not by lecture. If the Minister were prepared to rise in the House, instead of talking from his seat, he would demonstrate that he is prepared to bring in reforms and to bring controls to Crown corporations which would begin to open up Government.

The Government could begin with sunset legislation to allow Parliament to review programs which have been put in place. It could begin the process of deregulation, for example, in the communications field where the Government still believes it is its job to decide what Canadians will be able to see and to hear, rather than give Canadians the right to decide for themselves. If the Minister would demonstrate that he had given up on the philosophy that mother Government knows better than individual Canadians what is in their best interests, then I would think he had the right to say that the Government was prepared to share with Parliament or to take initiatives in regulatory reform. Instead, what we get is cosmetics. The people of Canada demand better than that. If the Government is not prepared to give better than that to the people of Canada, let it call an election. Canadians recognize that there is an option, and they recognize that following that election we could begin the work of pruning back Government and restoring to individual Canadians a sense of dignity, a sense of worth and the ability to run their own lives free of the dead hand of Government.

• (2000)

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, keeping to the Bill before us, I want first to commend and congratulate the committee on the work it has done, going through the legislation and determining, as anyone reading would conclude, that the legislation now being done away with is indeed obsolete.

I am listening to the arguments across the floor of the House. They should have been on the committee together. They could have worked. It may be an important thing for the Parliament of Canada, in as much as we may be doing something today that is more relevant than much of what we have done over the course of the last two years. We are actually getting rid of some legislation.

It might be a useful exercise if we now take on the task of simplifying much of the legislation that average individuals in the country have to deal with on a day-to-day basis. We have legislation that is written in such a way that by far the vast majority of Canadians are unable to understand it. We have made it almost impossible for Canadian families and individuals, even those of considerable intelligence, to pick a law, read it and understand what it says and how it will or at least ought to be applied.

For many years I have believed that one of the roles of Parliament surely must be to try to find ways to simplify the language used in legislation, not only as this Bill does, eliminating legislation that is redundant or obsolete, making it possible for people to understand not only the Income Tax Act, which is the most obvious, but other Acts that apply to individuals and families. We should devote some time and put some committees to work looking at the words used in legislation that we pass to see if there is an easier or more simple word, a word with more relevance to the day-to-day language of people in order that they cannot only see that we have done

something, but perhaps understand what it is that we have done.

I suggest to the Government that as part of the ongoing process, it not only look at legislation to determine whether it is still applicable and therefore necessary, but make an attempt to look at the language of legislation with an eye to finding new phrases, new ways of saying what we say so that the people who are affected by the laws that we produce will be able to read and understand them without having to pay out substantial sums for legal advice. It may be that they may need the advice in any event, but at least they might, in the process be able to understand why they are seeking the advice rather than follow the process they now go through.

As I said earlier, the committee has done a good job. There is a lot more to be done. Quite clearly there is even yet the requirement on all of us not only to cull out the hundreds of Acts that still exist of which the relevance is no longer apparent, but there is also the important work to be done here in the House of Commons on an ongoing basis of trying to ensure that new legislation brought in not only does what we intend it to do, but does it in a way that will provide for those who must use it the highest degree of confidence. I do not think we have been able to accomplish that.

I do not want to enter into a partisan argument about the relative merits of the Government. I think the Government by now understands that I do not agree with much of what it does. However, whether it be a Liberal or a Conservative Government, or at some point in time and NDP Government—that may be hard to picture—we have to start looking at the way we draft the laws we draft.

From my point of view, having spent 16 years of my life working with them, I find that trying to understand them is trying to understand the impossible. We do no one a service by writing laws the way we now write them. In any event, this Bill should pass hastily. We should get on to other pieces of legislation that are of importance for the future.

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

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

The Acting Speaker (Mr. Blaker): My understanding is that Hon. Members may have reached some agreement, the effect of which is that we should now adjourn until 11 o'clock tomorrow morning. I have no official message to that effect.

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): It sounds as though that is agreed.

I see that the Parliamentary Secretary rises on a point of order.

Mr. Lang: Just on a point of clarification, Mr. Speaker. Am I to understand that the Bill has been given third reading?

The Acting Speaker (Mr. Blaker): That is correct, the Bill has been given third reading.

* * *

HOUSE OF COMMONS

TRIBUTE TO THE HON. ELMER MacKAY

The Acting Speaker (Mr. Blaker): I have an understanding to the effect that the previous Hon. Member for Central Nova is being honoured with a dinner this evening. As one of his colleagues in the House, and I hope that Members from all Parties will join me, I think we might send to him at his dinner our very best respects. If I may add a personal touch, I believe the Hon. Elmer MacKay was a Member who not only served his riding well, but in the best of parliamentary traditions he served his country well.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): In that case, let *Hansard* indicate that Hon. Members have agreed with that sentiment.

Accordingly, pursuant to order made earlier today, this House stands adjourned until 11 o'clock tomorrow morning.

At 8.07 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, June 29, 1983

The House met at 11 a.m.

• (1105)

[*English*]

BUSINESS OF THE HOUSE

The Acting Speaker (Mr. Corbin): Order, please. It is the Chair's understanding that the Government wishes to proceed with Government Order No. 165. As this Bill was reported from committee yesterday, the Standing Orders require that the 48-hour notice requirement must be met before the Bill can be considered by the House. With unanimous consent, however, this requirement can be waived. Is there unanimous consent to proceed with Government Order No. 165?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

INDUSTRIAL AND REGIONAL DEVELOPMENT ACT

MEASURE TO ESTABLISH

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion) moved that Bill C-165, to provide for financial assistance for industrial development in all regions of Canada, as reported (with amendments) from the Standing Committee on Regional Development be concurred in.

Motion agreed to.

The Acting Speaker (Mr. Corbin): When shall the Bill be read a third time? By unanimous consent now?

Some Hon. Members: Agreed.

Mr. Lumley moved that the Bill be read the third time and do pass.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I am pleased to open debate on third reading of Bill C-165, an Act to provide for financial assistance for industrial development in all regions of Canada. Of course everyone in the House wants industrial development in all regions of Canada. I thank the Hon. Member for Mississauga South (Mr. Blenkarn) for letting me jump ahead of him in the line, so to speak, and open the debate, because I have other commitments later today. If I leave later, I do not want it to be seen as a discourtesy to the Hon. Member or to the Minister.

• (1110)

The Minister of Industry, Trade and Commerce (Mr. Lumley) is present in the Chamber this morning. He has been here at every stage of the debate; he has answered all our questions. I must be careful in what I say because I do not want to give too much applause to the Minister, but I think it is fair to say that he has done quite a good job in getting the Bill through the House and in working with the Opposition on this important matter. I think it shows in the way the Bill has proceeded through the House.

I am a new person in the area of regional development. Previously I was energy critic, so this has opened my eyes somewhat and I have a little way to go. I want to make some comments on the Bill because I think it is really important for individual communities in Canada. It is not really that complicated when we get through all the letters, the little short forms, and so on. Basically it has some 17 Clauses. Like the majority of Government Bills these days, most of the job is done in the regulations over which we do not have control.

In general the Bill sets out a new system of awarding financial assistance for industrial and regional development. It works on what is a tier system, four tiers of arranging constituencies by census districts for qualification for grants. The Minister explained this in his speech. It is interesting because it is an attempt to bring together a number of government programs and put them into one program and make it what I think the Minister called a fast-tracking system, or a one-stop system, or whatever is the bureaucratic language, to indicate that it will make it easier for companies and individuals to apply for grants and financial assistance for economic development in Canada. Of course we are all in favour of that.

The problem with the Bill is really an old one, the problem of establishing an equitable system for giving grants. There has been much criticism of the old DREE program. I hesitate to use the word, because when I used "patronage" in committee, there were "oohs" and "ahs" as if patronage did not happen in Canada. Of course it does. The old system at least gave the aura of the possibility of patronage when the Minister really had to make decisions on pretty well his own criteria. That is simplifying matters, but this Bill tends to set out criteria. That is what I want to bring to the attention of the House.

We in the New Democratic Party are supporting the Bill. We are in favour of industrial and regional development. We would like to see the matter simplified and made less bureaucratic. We would like to see the system work a little fairer, and especially see it applied in a better way to the region where many of us have our seats, namely, western Canada. For those reasons we have tried to expedite passage of the Bill. However,

we want to keep our eye on the Bill and on the system when it becomes law. I understand that it will be law by July 1. When I thought of all the work we were doing in committee, it made me laugh to think what would happen if we had changed things in committee; the forms might have to be changed and so on.

I want to focus on the key to the Bill. It indicates that in order to obtain aid one has to fall into one of four tiers. One qualifies for more aid in Tier 4, a little less in Tier 3, and so on down to Tier 1. It is based upon a development index, which I think is the next part of the system. The index is based upon a per capita level of income, the level of employment in the district, and the capacity of the Province in which the district is located to raise revenue. As I stated before in committee, this is a problem for British Columbia because we have a higher per capita level of income. The average weekly wage in British Columbia is $464.15, as opposed to $341.66 in Newfoundland. We are more unionized. Our unions have forced good wages in British Columbia.

• (1115)

In many ways the tests that are in the Bill may make it more difficult for some regions to qualify in order to reach a higher tier, and, therefore, more aid. There is the term "capacity in the Province in which the district is located to raise revenues". Alberta has a Heritage Fund, and so on. I am told by the departmental officials, who have given me some papers, that they are trying to rationalize all these tests. I say that will be difficult. We will have a look at this Bill in about a year or so to see whether this development index is really working.

The Minister may not be aware of the kind of problems we have in my area of western Canada. I will just spend a couple of minutes on this. A headline in the Vancouver *Sun* for Thursday, June 23, 1983, reads, "Federal red tape the only product in Port Alberni". The article talks about the old ILAP program which applies to Port Alberni, as it is one of the designated areas. The article states there was to be a Christmas present of $15 million to the town. Six months later unemployment in that town is still running at 20 per cent, and the community leaders are still trying to unwrap the red tape in which the $15 million gift was wrapped. I believe they received only $1.4 million and only 133 low-paying jobs were created.

As I said at the beginning of my remarks, ILAP is rolled into this Bill as one of the programs contained in it. It is very interesting, because the first paragraph in the newspaper article reads:

> A federal Government program designed for the manufacturing East is not working among the woods of the West.

It shows the kind of problems we have in getting industrial development in different regions of Canada. Port Alberni on Vancouver Island is a beautiful place. It is a town dominated by MacMillan Bloedel, which is the main employer. The main employer is automating and putting technological change in its plant. There are 2,000 fewer jobs than in April, 1981. That, together with the recession, has resulted in some real problems.

Many of the other jobs in the community come from servicing the main employer, the forestry industry. ILAP was supposed to be a program to help that area. However, instead of receiving $15 million, they received $1.4 million, which resulted in 133 temporary jobs with a pay rate of $175 per week, not exactly a booming pay rate.

It is interesting to see what is happening in the community. I use Port Alberni as one example in all the regional areas of Canada. The local Manpower manager there said that he has 2,400 people collecting unemployment insurance. There are 2,000 other people who have exhausted their unemployment benefits or are collecting social assistance, welfare. There are 1,400 others working part-time instead of full-time. This is out of a labour force of 13,000 people. It is typical of a lot of towns in the regional areas of Canada.

A business woman, Paula Anderson, was asked about this. She replied:

> We cannot get manufacturing here. We are not in the Ontario heartland, we are on Vancouver Island and that has to be taken into consideration before it can have an impact on new industry. We want the program to be extended to primary industry.

That is part of the problem with this Bill. Let us look at the development index. The Minister was kind enough to have his officials give us a list of all the different ridings in which the tiers will apply. I have the list before me. When I look through it, I find it difficult to understand. I know that it is supposed to be fair, but I know that the Quebec constituency of Mount Royal is in Tier 2. Who represents that constituency, Mr. Speaker? The constituency of Saint-Henri-Westmount is in Tier 2. I am sure that this was done using an objective standard, but Regina East and Regina West are in Tier 1. Athabasca in northern Alberta is in Tier 1. In other words, these constituencies are in a less favoured category than are those two urban ridings in Montreal. Part of Comox-Powell River is in Tier 1. I have never been there, but that is another area that is like Port Alberni. Port Alberni itself is in Tier 2.

• (1120)

The problem is that it is perceived, and it may be true, that the program will still benefit the manufacturing East and the central heartland more than it will benefit the regions. That is the problem that Port Alberni is faced with when it tries to develop. It is not a problem with an easy solution. How will industry be attracted to Port Alberni when it is really dependent on a resource based economy? Of course, that is part of the answer, but I just point out that some of these areas will not benefit as much as we hope they should.

It is interesting to note that in a Vancouver *Sun* interview of the Organization of Unemployed Workers—I have noticed that these organizations have grown up all over the country—a Mr. Brian Demorest was asked about ILAP and the programs for Port Alberni. He said that while the temporary jobs have

helped some people, as a family man he is better off on welfare. Then he said something very interesting. The article in the *Sun* reads:

> He says he cannot see manufacturing industry of any size coming into town. Instead the OUW is calling for a six-hour working day (preferably at eight hours' pay but subject to negotiation) to be legislated throughout the province and the country.

This would create another shift and would take up some of the slack in unemployment.

Of course this is what the Government of France did as part of its industrial strategy. The Government of France, which these days has been much knocked, shortened working hours. This is probably what we will have to do in Canada, together with implementing programs for part-time work, and adopting other ways of coping with technological change.

I am saying to the Minister that we are prepared to give the Bill a chance. We are prepared to pass it today, but we want to look a little more closely at these tiers. We appreciate that the Government is trying to be objective in the sense of a development index, but we wonder if development really can be attracted to the Port Alberni's of the country under this program.

There are three other comments I would like to make before I conclude. First, my colleague, the Hon. Member for Kamloops-Shuswap (Mr. Riis), raised the matter of native employment, a matter which is very important in the West. The Minister answered the question, and I appreciate that, by saying that that matter is not really being dealt with under this Bill, as I understand it, but would be dealt with under another program. I note that answer.

The second matter I raise is that the Minister talked about decentralizing, and I am a little suspicious of this. I think that there is a lot of centralizing in this Bill, in the sense that the federal Government, because it has been burned by the Provinces, and the Provinces have taken credit for some of the things the federal Government put money into, is, as a political strategy, trying to do things more directly.

I am a little worried about the effect some of these programs might have on federal-provincial relations because I do believe deeply that co-operative federalism is the only way to make Canada work. The Prime Minister (Mr. Trudeau) has failed absolutely in bringing some of the principles of co-operative federalism to the West.

Mr. Prud'homme: Hey, hey!

Mr. Waddell: The Hon. Member pooh-poohs that statement, but he is not the one who gave the Salmon Arm situation in the interior of British Columbia to the people out there.

There are other problems with the program that we would want to examine. There are certainly some questions about some of the Government guarantees that have been picked up in this Bill, such as guarantees to Canadair, Maislin, and other companies. Canadair is a Crown corporation in need of reform. Some of the other programs smell a little of the corporate welfare that has been handed out fairly indiscriminately, but I will give the Minister the benefit of the doubt on that score. I think he is really trying, and he believes in industrial development. He is from Cornwall, a small town, and I think he is concerned with getting industrial development established.

• (1125)

We cannot have this policy in isolation, Mr. Speaker. We need an industrial strategy for Canada. The example that I used of Port Alberni brings out the fact that there are areas with primary industry only, and no manufacturing base around it. Manufacturing still takes place in the heartland of the country, and that is a real problem for the West and the Maritimes. So much of our industry is foreign owned and controlled that, as well as a regional development strategy, I think we need a whole new Canadian development strategy.

In January a press release was issued about the reorganization of the Minister's Department, Bill C-152. It was accompanied by a big wad of briefing papers which showed it was based on an industrial strategy which was a spin-off from megaprojects. That strategy has gone by the board and the Government has admitted that, so it is looking for another industrial strategy but so far it has not found one.

In subsequent speeches in the House on industrial development I will suggest that the industrial strategy be based on a regional stance and ways of upgrading the regions by means better than those set out in this Bill.

I know the Hon. Member for Mississauga South has a much more detailed mind than I have, and he knows this area very well. Tom Axworthy, the Prime Minister's principal secretary, was talking about these Government development programs and he said that we want to move in on the West like the little bird that sits behind the elephant's ear. I can tell him, Mr. Speaker, that he will find that it is like the elephant who danced among the chickens and said, "Let's make it fair—every man for himself." As a chicken, he is going to have a problem among all those western elephants.

The New Democratic Party supports the Bill, Mr. Speaker, but we have concerns about whether it is going to reach the Port Alberni's of the country. I look forward to the Bill's record receiving committee examination about a year from now. We will find out then if we have really made progress in something that every Member of the House wants, and that is regional industrial development. We must have a fair system all across the country from which everyone can benefit in this great country with the industrial system that we have.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, we are dealing with third reading of Bill C-165. I want to say at the outset that while this Bill does not go in the direction that this Party would go in dealing with industrial development of the regions of Canada, particularly those that are disadvantaged, it is an improvement on what has been happening, and so we support it fully.

I was very pleased with the way the Minister responded yesterday in committee, accepting what we feel were important amendments to define the eligibility of persons entitled to apply. The report on the IRD program will be made immediately after June 1 each year, so that when we determine the new tier levels on July 1, Members on the Committee for Industrial and Regional Development will be able to make some contribution suggesting how the program might be altered in the ensuing year.

The Minister was quite responsive to the sunset clause. This is the kind of legislation that should always contain sunset clauses. It is a grant contribution guarantee type program administered by the Government, in an effort to solve a problem. It may not solve the problem however. It is certainly not a permanent solution to anything. I think the Minister would agree that it is a temporary effort to get at a headache, and that the remedy for that headache should be reviewed from time to time. The sunset for this legislation is five years. In our view that is an important clause, and I thank the Government for accepting our suggestion and amending the Bill in that respect.

• (1130)

This Bill has one other advantage in that it stops some of the alphabet soup. The Bill is intended to replace the EDP, the ILAP, RDIA and the STEP programs. Therefore we now have IRD replacing EDP, ILAP, RDIA and STEP. Unfortunately, there are still five other programs. They are SERB, SAP, IERD, SPLA, and the FDBD.

It is about time that the various programs of the Government were amalgamated, in the sense that this Bill amalgamates programs, puts the bureaucracy which manages programs under one roof, reduces that bureaucracy, makes sure that individual bureaucracies are not competing one with another, and makes it easier for the business community, who may want to apply for the grants, loans, contributions or what have you, which may be available under this program. They at least have one-stop shopping, certainly for the four items which are amalgamated under the new IRD Program.

We would not have proceeded this way. First of all we believe that it is most difficult, well nigh impossible, for people in the Public Service to understand properly the motivations which inspire people to build plants, create new jobs, create new wealth, the motivations which put new people to work on new programs and new projects. The entrepreneur works on the basis of hopes and dreams. He thinks on the basis not of what the steak looks like, but what sizzle, sound and smell are in terms of profit, gain or reward. It is difficult to put that type of thinking into a brief and have that brief examined by unseen and unknown persons in a Government office, and somehow come up with something which really makes the country grow.

What we would have done, therefore, would have been to turn the matter over to the tax system. As we proposed in the last election, we would have a tax credit scheme. In areas which are depressed, where there are no jobs, and where there needs to be development, we would say to the investor who goes into those areas that not only can he get his money back completely before he pays a nickel in taxes, but he can get 150 per cent or even 200 per cent back before he pays a nickel in taxes.

He still has to put his money, his ambition and desires up front, because we say, "We are giving you the carrot, the carrot of an opportunity to make a profit. It is not a cheap loan, not a guarantee and not some sort of percentage contribution based on some mythical unemployment rate in your community or lack of development in your community. It is an opportunity to make a profit, to put your money up. And you will really make a profit on that basis if you go into a depressed area, because when you invest in that depressed area you will be able to get your money back, perhaps even doubled, without the tax man taxing you." That is the opportunity. That is the sizzle. That is the drive. That is the offer.

What do we have here? We have money coming up front, albeit, but coming from a bureaucracy which really has no way of properly judging the spirit, the entrepreneurship, those subjective things which make one person a super businessman and another person a failure. Business is that way. All of the education, all of the training, all of the work which go into a business where you might say on paper the credentials look good, do not really matter. What we are really talking about is that inner spirit which makes some people succeed in business, an inner spirit which makes some people grow and go, and gives some people the ability to put their neighbours to work, to build a country. But some people have not got it.

The problem with the system whereby we have those in the bureaucracy judging applications, is that there is no way in which they can put on paper or justify in a committee meeting that inner spirit which makes success a possibility. So we say, get the Government out of it. Get the Government out of it, but leave the big carrot there. If you really want to build an area which does not have much going for it, put the carrot there, the tax carrot, the allowance. Give these people the ability to make a real profit, because that is what makes our system grow and go in the market place. That is what motivates people. People are not motivated for altruistic reasons. They do not work day and night for altruistic reasons. They go out and work because they want to build for themselves and their families, and because they want to get ahead, and if you offer to them a better opportunity to get ahead in one place in the country than in another, they will go to that place where they have the best opportunity.

One other problem with this piece of legislation is that I, personally, am afraid that in spreading the wealth in terms of the money which is available for Government assistance to business across the entire country, we may have inadvertently—and I give this as a word of caution to the Minister and the Government—hurt some of those areas—the Alberni's of which my friend was talking—in terms of their ability to grow and go. Because what has been done is to make it possible for every area in Canada to get some form of Government assistance in terms of a loan, a grant, a contribution, or in terms of a guarantee of some kind.

Mississauga will get assistance in the same way as Cape Breton. You might be able to get more assistance in Cape Breton, but you can still get assistance in Mississauga. As an Hon. Member from Mississauga I have no objection to that. My colleague, the Hon. Member for Brampton-Georgetown (Mr. McDermid), who is in the same position, also has no objection to that. However, I would like to say this to you, Sir, and to the Minister, that there is only so much money, and I suggest that the Minister and his officials are looking for success. If they can back a project in an area where success is likely, they will back it there. It is sometimes easier to back a project in Brampton or Mississauga than it is in Cape Breton. Statistically, the chance of success may well be far higher in Brampton or Mississauga than it is in Cape Breton.

• (1140)

The Minister is likely to see a situation where his officials will find applications coming from some of the top Tier 1 areas which are very likely to succeed and will make the officials in the Department look good. Those applications are likely to take up the money. Applications from areas in the country where the chance of success is not near as great are not likely to get as much money as they might ordinarily get, because again there is only so much in the till.

I am not saying we are opposing the Bill. We think it is good and should go through. While I suspect that the Minister, even though he is a pretty good one, is not going to be a Minister of the Crown very much longer—the people of Canada are going to make sure that he and his colleagues find some other place to work, and perhaps they will need the advantage of some of these programs—I say to the Minister that in his management of the Department he had better be very careful to make sure that the limited money available is used to get rid of some of the existing inequities and disparities in this country as opposed to the politically and bureaucracy pleasing support of propositions from areas where the success rate is very likely to be much higher.

I will now deal with the question of tiering, Mr. Speaker. For the purposes of this Bill the country is divided into tier areas. Tier 1 covers a good part of the country; most of the major cities are tier 1 or, at the worst Tier 2. Then there is a whole series of criteria which determine Tier 2, Tier 3 or Tier 4 areas. One of the concerns I have with the Bill and the proposed regulations is the contribution the Government can make to a project. It is higher in Tier 4 than in Tier 3 or 2 or 1, and the level at which the program kicks in is lower in Tier 4, 3 and 2, than it is in 1. But the effect is to have virtually the same element of subsidization in all four tier areas.

For example, if the Government is going to give a contribution to marketing of a manufacturer's product in the Tier 1 zone, it could go up to 50 per cent of the cost. But even in Tier 4 zones the maximum is 75 per cent. Bearing in mind that the Tier 4 zones are the areas of the worst unemployment, the worst possible disparity in the country, and bearing in mind that the Tier 1 zones are the most prosperous areas in the country, the variance is between 50 per cent and 75 per cent. I say to you, Sir, that is not much of a variance.

Perhaps the Minister might take a look at that because, while I know he wants to make sure his Department is dealing right across Canada and that there is no discrimination in the country, the whole nature of regional economic development is that we discriminate in the less developed, less prosperous parts of the country. The concept is that you help a person in a weak area more than you help a person in a wealthy area. But the regulations do not clearly make it less attractive in a wealthier area. To put it the other way, you put just about as many bucks in Mississauga as you do in Cape Breton. If that is really the intention, and I suspect it is not, then perhaps there should be some change in the proposed regulations.

As I said previously, we would not have proceeded this way, but we are pleased to support this Bill because we believe it is progressive and a better way of handling the problems than we have had so far from this Government. On that basis I commend the Minister for being prepared to accept amendments and allowing the Members in committee to make valid input to the legislation. If we had that type of co-operation from other Ministers, for example the Minister of State for International Trade (Mr. Regan) on the Export Development Corporation Bill, that Bill could move ahead too. But when we have a Government Department which stonewalls the Opposition and any effective and proper suggestions, then you do not get matters moving ahead in this Parliament. This Minister is co-operative. The Bill was introduced about a week ago; hopefully it can pass today before noon.

The Acting Speaker (Mr. Corbin): Order. The Chair should draw to the attention of the House that the Minister is now seeking the floor. As mover of the Bill he had the option to make a speech and he chose not to do so. The Chair suspects it was to accommodate other Members of the House. Is there unanimous consent to allow the Minister to make a statement at this time?

Some Hon. Members: Agreed.

Hon. Ed Lumley (Minister of Industry, Trade and Commerce): Mr. Speaker, first of all I want to thank my colleagues on both sides of the House for allowing me the opportunity to wrap up third reading of this Bill on behalf of the Government. I also want to pay tribute to the Hon. Member for Vancouver-Kingsway (Mr. Waddell), the Hon. Member for Mississauga South (Mr. Blenkarn), and the Official Opposition critic, the Hon. Member for York-Sunbury (Mr. Howie), for their constructive criticism and comments with respect to regional development, in the Standing Committee on Regional Development from whence came a lot of the ideas incorporated in this Bill.

I want to address a couple of the issues, Mr. Speaker, that the two Hon. Member have raised today, as well as a brief summary of the Bill. Members of Parliament are all busy these days in committees as well as carrying out our responsibilities to our individual ridings that I think it will take a while before

the full impact of this Bill is realized by all Members of this House, and particularly how it affects all parts of the country. This is the first time in almost 15 years, since the Department of Regional Expansion was initiated, that the Department has gone through a thorough re-evaluation and reorientation of its regional development programs.

I think it speaks well of Parliamentarians in general that, of all, the three Parties support the Bill. That has not happened too often during this particular Parliament. Second, there was the non-partisanship. I have been on the Committee on Regional Development for eight or nine years. I also happened to be chairman of the Committee at one time when I first came to the House. I think that non-partisanship is attributable to the importance that each and every Hon. Member, regardless of his or her political persuasion, attaches to regional development.

• (1150)

I would like to summarize some of the most important parts of the Bill. For the first time in Canada's history we will have a consistent measure to gauge regional disparity in Canada. The arbitrariness of the Minister of the day or of the Government of the day deciding which area of the country receives what level of assistance with respect to industrial restructuring and regional development, is past.

We have spent a great deal of time in putting the development index together. I appreciate the constructive input we have had from Hon. Members on ail sides of the House, from the private sector, and from provincial Governments, with respect to the development of this index. It is not perfect. I doubt very much if there is such a thing as a perfect development index. However, I think that we are well along the way toward developing an index which, as the Hon. Member said in their second reading speeches and in committee, is as equitable, as objective, and as fair as any that has ever been previously developed.

I would like to address the second most important part of the program. It is no longer a question as to whether one particular area is designated or not. It is now a question of degree of designation. The Hon. Member for Mississauga South said that he could receive almost the same assistance for Mississauga as one can receive for Cape Breton. On the contrary. If one looks, for example, to the most important part of the regional development, in other words, the basic program element upon which DREE was originally initiated or founded, one finds that it was the establishment of new industries, the diversification of the economic base of the regional disparity areas in Canada. One sees that in areas in the most developed 50 per cent of the country, unless their unemployment population ratio exceed by 1 per cent the national average for six consecutive months, there is no financial assistance from the Government of Canada for new establishments. Yet in the Tier IV areas, those companies applying for assistance to start new ventures are eligible for up to 60 per cent of capital costs to undertake these ventures.

Forgetting for a second southern Ontario, or the southern part of British Columbia, but take a Province like Nova Scotia, one finds that it was very difficult to try to develop certain areas like Cape Breton when the same financial assistance was applicable to companies in the Halifax area. Now there is a differentiation even within individual regions. You will know, Mr. Speaker, that there are substantial degrees of economic disparity within your own particular Province. Now that we have a consistent measure for regional disparity, it will be much easier to differentiate between those various areas.

The other comment of the Hon. Member for Mississauga South, and I think it was a justifiable one, concerned success. What our officials are after is success in terms of the number of jobs we will create in every region of the country as a result of the program. We are quite prepared to take a much higher risk for projects in the more disadvantaged areas of Canada than we are in the most developed regions.

The third element that I consider to be so important with respect to the Bill is that, for the first time, we have a manageable number of programs that can now be delivered on a regional basis. With my background as a small and medium-sized entrepreneur and as a mayor of a community which once had the highest unemployment rate in Canada, I have always felt that if one really wants to reach out, if one really wants to solve regional disparity, one must bring all the economic tools of Government to bear. It does not just require one program or two programs. It requires all the programs. From now on, all the economic development programs, the direct delivery programs of the Department of Industry, Trade and Commerce and of the Department of Regional Economic Expansion, will be available in every region of the country.

The Hon. Member for Vancouver-Kingsway spoke of the Port Alberni's of this world, the single industry regions, and of the difficulties that one faces in trying to diversify the economic base of those regions that are resource-based and so dependent on one single industry. One of the elements by which the Bill will facilitate in the diversification of the economic base in these areas is through regionalizing the financial assistance for innovation such as design, research and development, et cetera. In other words, we will try to encourage more of these single industry communities to carry out more research and development, to expand their product lines or expand their processing. This is one of the avenues that has really not been addressed to any degree in terms of regional development potential for the past 15 or 20 years.

The other element mentioned by the Hon. Member for Vancouver-Kingsway was decentralization. This really is decentralization. I think the previous concept of decentralization was sharing the responsibility with the Provinces.That is just one element and we will still do that with the general development subagreements with the Provinces. However, I think the key with this program is that we not only decentralize the delivery mechanism to reach out to the small and medium-sized entrepreneur in every region of the country, but we also decentralize the processing of the applications so that

there is a regional perspective in the assessment of the individual applications.

If we were preparing a headline, in the creating of a PR program to promote the program, I would say to every small and medium sized entrepreneur, "You no longer have to come to Ottawa for financial assistance. We will reach out to you". We will ensure that the small and medium-sized entrepreneurs in Canada, who obviously make up the backbone of economic development in Canada, will receive their fair share of all the programs which have historically only been available to most of the major corporations in the most developed regions of the country.

I also want to pay tribute to my colleague, the Minister of Fisheries and Oceans (Mr. De Bané), the Hon. Member for Matapédia-Matane who, for two and one-half years, was the Minister responsible for DREE before the reorganization. Since the inception of DREE, he is really the first Minister I have known, and I think I have known them all, who has really tried to address the issue in the most sensitive way, the issue of regional development. Many of the provisions that are incorporated in the Bill I was able to obtain from his previous work in this regard.

The other element of the Bill which we have not discussed to any degree concerns industrial restructuring. If there is one message that came home to me loud and clear during the two and one half years I spent as Trade Minister, in travelling to over 50 countries around the world, was the fact that the competition Canadian industry will face over the balance of this decade and of this century will be tougher than we have ever faced before. Therefore, that tells each and every one of us, regardless of our position, that our industries will have to maintain their international competitiveness. That is an undeniable fact. If we are not competitive, we will not survive economically. If we do not survive, not only will we not create the new jobs that are necessary in Canada, but we will not maintain the ones we already have, either.

This industrial restructuring element of the program is as equally important as the regional development priority of the program. That is the reason why we think it is so important to have this national program sensitized on a regional basis. Even in the industrial heartland of Canada there are a number of industries that need financial assistance from the Government to undertake expansion programs, modernization programs or innovation programs to ensure that their companies will be internationally competitive. I believe it was the Hon. Member for Vancouver-Kingsway who probably expressed it best on behalf of all of us in the House the other day on second reading when he said, "What is in this Bill is almost too good to be true". I think that is really one of the reasons we have not truly digested its contents, the fact that for one of the few occasions when we have a program in which all Members of Parliament have had some input.

I welcome the amendments brought forward by the Opposition. I think that together, we should not wait until the end of the year when the program will be reviewed. Yesterday, I made a commitment to the committee that any changes in the regulations would be brought to the committee's attention. I believe that the more input we have in this particular area, the better the program will be.

• (1200)

In conclusion, perhaps the best indication that we have done something constructive and positive as Parliamentarians is the fact that we have received no press coverage with respect to the program. That is usually the best indication that we have done something constructive and positive. If the Opposition would have stonewalled the Bill or objected to it, this legislation would probably have been on the front page of every paper in the country and the first story on television and radio news. But the fact of the matter is that we have all agreed on a program which provides financial assistance of anywhere from $500 million to $1 billion a year to manufacturing, processing, tourism and related service sector industries right across the country. Since we have received no publicity, it is probably the best indication that we are on the right track.

I also want to thank my provincial colleagues. I discussed this particular program with my provincial colleagues even before it was passed through the Cabinet. I think their input into this Bill has been very important.

At a time when some 1.5 million Canadians are unemployed, I do not think there is any Member of the House who would not agree that a concerted effort is needed toward strengthening our industries. I do not think any Member of Parliament, regardless of his or her political persuasion, will rest easy until such time as we have full employment in this country.

In my trade days, we had a very cohesive effort between the private and public sectors, whether it was management, labour, federal or provincial Governments. There was a very co-operative effort. I suggest that is one reason why Canadian exports were able to not only maintain but increase their market share and Canada was one of the few countries in the world to achieve this goal during the international recession of the last three years.

I feel very strongly that if we are to be successful with this program, solve the problems of regional disparity and industrial restructuring and create the needed jobs that we want in this country, we will need that cohesive effort by management and labour, the federal, provincial and municipal Governments. I think Members on both sides of the House have demonstrated that co-operation in their input into this program, and as Minister responsible I want to say thank you to each individual.

Some Hon. Members: Hear, hear!

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

Some Hon. Members: Question.

Motion agreed to, Bill read the third time and passed.

ATHLETIC CONTESTS AND EVENTS POOLS ACT

MEASURE TO PROVIDE GOVERNMENT OPERATED POOL SYSTEMS

Hon. Ed Lumley (for the Secretary of State of Canada) moved that Bill C-95, an Act to provide for Government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act, be read the third time and do pass.

Mr. Joe Reid (St. Catharines): Mr. Speaker, I want to take this third and perhaps last opportunity to put some final comments on the record with respect to Bill C-95. Needless to say, as I have said so many times before, I view the impending passage of this legislation with mixed emotions. On the one hand it is an abysmally bad piece of legislation. I am positive, and the Opposition is just as assured, that it will return to haunt the House at a later time. Yet I am left with the feeling that because of the great amount of public relations expended in Government advertising, there is the possibility that at least some of the beneficiaries named in this Bill may reap some benefit.

We on this side can take some pride in our efforts to improve the Bill. I refer to the amendments which we raised in committee and discussed very briefly earlier this week. I will comment on those shortly, but before I make those comments, I want to point out some of the existing conflicts and pressures which exist in the House at this time.

Against those conflicts there is one prevailing matter that seems to have been raised consistently by the Government side. It is the obvious, outspoken, obnoxious desire of the federal Government to get back into the lottery business. We have opposed this re-entry of the federal Government into the lottery business from the very start. No individual, group or Province can fault the efforts and sincerity of a great number of our Members who have presented their arguments in the House in opposition to the re-entry of the federal Government into the gaming business.

Our difficulties with Bill C-95 are deeply rooted and have been long lasting. It would be only appropriate to review the record and set matters straight after a lengthy and controversial exchange.

In 1976, our Party had to make a very difficult decision with respect to Loto Canada. The Montreal Olympics had incurred a deficit of approximately $1 billion and the federal Government was pressured by Montreal to get it out of the quagmire in which it found itself. The federal Government promised to assist in the reduction of that $1 billion deficit which Montreal faced.

That was a fair and perhaps reasonable undertaking by the federal Government because the Montreal Olympic Games were a source of pride not only for the people of Montreal and the Province of Quebec but for all Canadians as we reflected in the glory and success of the Montreal Olympics. It was an event which Canadians of all ages and from every region enjoyed and participated in in whatever way possible. It was an event of national and international significance.

As is the case today, the Liberal Government of 1976 was short of cash. Therefore it insisted that whatever help it gave to Montreal would have to be met by non-government revenues, so it said. Therefore the federal Government introduced a federal lottery. For many good reasons, the Opposition of the day was opposed to the introduction of Loto Canada. First, it was said that lotteries were a matter of provincial jurisdiction. But notwithstanding our objection, the federal Government remained adamant; it was Loto Canada or nothing.

In committee we extracted a promise from the federal Government, and particularly the present Minister of Energy, Mines and Resources (Mr. Chrétien), that Loto Canada would have a fixed three-year term and would be conducted primarily for the benefit of the Montreal Olympics. The present Minister of Energy, Mines and Resources made a great show of his distaste for lotteries and of his desire to help Montreal. The same Minister of Energy, Mines and Resources was full of enthusiasm at the prospect of being able to turn lotteries back to the Provinces at the end of that three-year term.

On the strength of the Minister's comments, the Progressive Conservative Party voted in favour of supporting Loto Canada. Our support was not for Loto Canada or any other lottery, bookie operation or gambling racket, but for a Canadian city hosting the Summer Olympic Games. That is why, with respect to the sports pool, we as a Party support the allocation of federal funds to the City of Calgary so that it might adequately host the XV Winter Olympic Games.

• (1210)

All Hon. Members know the story of Loto Canada and how scandal-ridden its life was. Everyone knows how the Loto Canada corporation with all its hangers on became the haven of patronage, resulting in much mismanagement and many misdemeanours. My colleagues the Hon. Member for Edmonton North (Mr. Paproski) and the Hon. Member for Brampton-Georgetown (Mr. McDermid) spelled out some of these disreputable and disgraceful instances in the debate earlier this week. Loto Canada was one of the greatest pork barrels of all time.

Despite that record and despite the present Minister of Energy's assurances given in 1976, the 1979 Liberal Government proposed that Loto Canada be continued in perpetuity. I would have thought that any government with any reasonable ounce of conscience would have said that it had had enough of Loto Canada's reputation hanging around its neck as it faced an election. The extension of Loto Canada's life, Mr. Speaker, was something totally unacceptable to our Party.

The long and the short of the matter is that the federal Government has no business in the lottery or the gaming business. While the tendency of the Liberals is to hide issues at election time, we campaigned as a Party right across the nation during the 1979 election compaign to put an end to the sorry chapter of the Liberal Government's participation in the gaming business. There was no equivocation in our position, and it was a campaign promise that we kept.

The sale of Loto Canada remains controversial simply because too many people, including the Minister of State for International Trade (Mr. Regan), just simply refuse to look at the facts. Loto Canada was not the success that government advertising leads the people of Canada to believe. The facts show very clearly that there was a decline in returns over the years of its operation. Loto Canada's very best year was 1977-78 when it netted $74.3 million. But by the following year that net had declined to $62.5 million, and even if Loto Canada had had a full year of operation in 1979-80, it would not have netted $62.5 million. Loto Canada was, therefore, clearly in decline.

These facts notwithstanding, we still hear the Minister of State for International Trade talking about Loto Canada yielding $80 million to $100 million a year in revenue.

An Hon. Member: Net.

Mr. Reid (St. Catharines): That is right, net. Where will the Minister gain the revenue of $300 million to return that $80 million to $100 million in net profits or gains to the beneficiaries as enunciated in this Bill? The Minister in his heart knows better. He knows that the sports pool is doomed to failure. The only salvation he will have is that if he gets back into the lottery business then we will be back in competition with the Provinces as we were before. We will be back in competition in the news media. Each one will be vying for the same thing with an expenditure of dollars, the likes of which we have never seen. Even though Loto Canada was once known as the greatest advertising spender in the whole country, that will be nothing to what it will be if Loto Canada gets back into the games business.

The 1979 Progressive Conservative Government had a difficult time disposing of a failing product, an asset that was declining in value almost daily but certainly monthly. My colleague from Edmonton North went into some detail on Monday night explaining the results of that sale and the benefit to this country of that sale. Not only did the Hon. Member get a good deal for the Government of the day, but he provided a fixed annual return for arts and culture and fitness and amateur sport. As at the end of this month the federal Government will have received approximately $102.5 million from the Provinces pursuant to the 1979 agreement.

Again, the Minister of State for International Trade chooses to ignore the facts and mocks the value of that agreement. Show me any deal in which the federal Government can get over $32 million a year at absolutely no cost, Mr. Speaker, and I will show you a deal that we should grab and grab quickly. After all, we are talking about the need to fulfil a commitment of $200 million from non-tax revenue for the 1988 Calgary Olympics when that 1979 agreement would have solved the problem.

Between 1983 and 1988, assuming 6 per cent inflation, the Provinces will have paid to this Government $220 million. Why could that money not have been used to fund the Calgary games so the organizers could have in advance adequately planned a successful games venture? Unfortunately, the federal Government has seen fit to spend the money from the lottery agreement on other items. The federal Government says that fitness and amateur sport and arts and culture are getting increased benefits through the ordinary budget system. But no one knows for sure because the money from that 1979 lottery agreement goes into the Consolidated Revenue Fund. The Government has not been able to explain that away, either in committee or during Question Period.

However, the important factor in all of this is that the federal Government has a binding agreement with the Provinces not to re-enter the lottery field. This Government may miss the good old patronage days, but that is too bad. Bill C-95 is nothing more than an end run around the 1979 federal-provincial agreement.

I opened my remarks by saying that the legislation before us is bad. It is worse than that, Mr. Speaker. In committee and earlier this week we tried to improve upon it. First, I know of no other country in the world which distinguishes in the gaming business between a lottery and a sports pool.

Second, there may not be a court in the land—and this was tested in one of the Provinces already—that will see a difference between the federal Government's re-entry into the sports pool and a re-entry into the lottery or gaming business.

Third, the legislation, as contained in Bill C-95, provides a Mack truck clause because it contains a simple clause that allows the federal Government to get back into any other lawful game. Once this Bill is passed, who knows what kind of a game the Government will become involved in, because the legislation will permit the Government to become involved in any kind of a game. The Government will be able to legalize any game, as it has this one. It is make it illegal for anybody else to play in that game but the Government of Canada. It will be the sole gambler and the sole host of a gambling nest of games—lottery games, sports, pools, video tape games, electronic games, even perhaps an electronic game of chess and you will be betting against yourself.

Fourth, Bill C-95 makes it possible for this to happen and lists every beneficiary known to the Minister of State for International Trade without honouring a commitment to any one of them, including the Calgary Olympics, because the Bill does not make any allocation of funds among those beneficiaries with any degree of certainty, by percentage or otherwise.

Fifth, the proposed sports pool corporation will not be subject to the kind of scrutiny and audit demanded by Canadians. We are sick and tired of Crown corporations running wild. The Auditor General has pointed out that Crown corporations are almost a sub-parliamentary group subject to a little bit of accountability to none at all. And here we are talking about establishing a new Crown corporation dealing with the games business. As we mentioned yesterday, the odds against Canadians participating in this game is bad enough without their being subjected to the abuse and error they were earlier with Loto Canada. That should not happen again. We should attempt to protect Canadians by having the Auditor General audit the books of the corporation and set up the appropriate systems.

• (1220)

The Government has refused to table any marketing studies to indicate that sports pools are saleable or marketable. On the other hand, the Provinces have provided to date the only facts and figures relating to sports pools. They indicated very clearly in committee that the game is doomed to failure and that we are about to lose our shirts by entering into competition with the Provinces.

Bill C-95 is ostensibly all about the aggressive marketing of a federal sports pool, yet it provides the sports pool corporation with a start-up grant of $10.5 million to run a gambling business and a line of credit of an additional $20 million, with no obligation on its part to repay those advances of taxpayers' money. If the Government is so sure of success in the sports pool game, why does it not make provision for repayment of the start-up funds provided by the taxpayers of the nation to the corporation? It could make repayment from its revenues, especially if the Government is sure that the sports pool will be successful. No ordinary Canadian wanting to open a business could get a deal like that one.

The Government has still not responded to the points made by the Inter-Church Committee on Lotteries as to the detrimental effect Bill C-95 will have on our society. The Committee pointed out that the games business, including lotteries, is the greatest social disease of our time. I am sure Hon. Members of the House and the public have read recently about the addiction of certain persons, for example the $175,000 which was stolen by a bank teller because of her desire to continue to buy tickets. At one time the Solicitor General (Mr. Kaplan) and the Minister of State for Multiculturalism (Mr. Fleming) were both vocal in their opposition to lotteries, but neither saw fit to raise those concerns during the debate on Bill C-95. The Minister of National Health and Welfare (Miss Bégin) saw fit not to speak in a debate despite, as she said, her loathing for such activity.

Finally, Bill C-95 will contribute to the steadily deteriorating relationship between the federal and provincial Governments. No effort was made by the federal Government to discuss what arrangements could be made with the Provinces to assist in the financing of the Calgary Olympics, and the Mack truck clause mentioned earlier is nothing short of a red flag to the Provinces because they view it as a deliberate attempt by the federal Government to get back into the lottery business in competition with them.

The position of the Progressive Conservative Party on the subject of federal involvement in the games, lottery and gambling field is clear and unequivocal. We are opposed to the re-entry of the federal Government into the gambling business. Our opposition is made much easier in the context of Bill C-95 because it is a bad, ill-conceived Bill. There will be no end to the controversy, and I suspect the Government will have its hands full trying to account for this new Crown corporation, just as it had its hands full with Loto Canada. Had our amendments concerning the Auditor General and the elimination of the Mack truck clause been accepted, it might have been a little easier and perhaps more beneficial to the Government. Nonetheless, democracy must take its course, but to what end?

There is only so much an opposition can do to save a government from its own folly. I am extremely appreciative of the support and concern shown by my colleagues and their participation in the debate. I thank them publicly for their participation and for echoing their concerns, just as I have echoed mine. Having fought the fight, the good fight, I naturally want to wish the sports pool corporation well. I trust the Calgary Olympics, the Winter Olympics, will soon benefit from whatever game the Government proposes to introduce. To that end I have to allow that modest acceptance of the position now taken by the Government.

The Acting Speaker (Mr. Corbin): The Hon. Member for Hamilton Mountain (Mr. Deans).

Mr. McDermid: They are finally putting up a speaker.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I hear the Hon. Member for Brampton-Georgetown (Mr. McDermid). It is not a matter of "finally"; it has nothing to do with that. It is that we stated our unequivocal opposition to the Bill on second reading. I think our position on balance is somewhat clearer than the position of the Conservative Party inasmuch as it is not a structural opposition to the nature of the Bill in terms of the way it has been drafted, whether it has been drafted well or otherwise. Our opposition is not simply to the federal Government's participation. It is not an opposition which indicates that somehow or other the federal Government opted out of the lottery business and therefore to opt back in would be wrong. Our opposition is that we are opposed to lotteries of this type and to further institutionalizing gambling in this way.

There are sufficient opportunities for people to engage in games of chance all across the country without adding to the number. I am as convinced of that as was the Hon. Member for Winnipeg North Centre (Mr. Knowles) some years ago when he spoke similarly on the introduction of lotteries and gambling. I am as convinced today as I was many years ago when I was in the Legislature of the Province of Ontario that the introduction of gambling turns out to be a tax on the poor and to be more attractive to those people of very limited means than it is to those of considerable wealth. The chance of victory, of winning fabulous wealth, is remote. "Remote" hardly describes it: "virtually non-existent" might better describe the situation. The chance of victory is a lure which people of little income find almost irresistible. I believe the Government does the country a disservice by introducing at this point in time the particular proposal for a sports pool.

I have listened with interest over the course of the last few days, in fact at every turn when the Bill came before the House of Commons, to the arguments put forward. There was a suggestion that somehow or other it was based upon a game of skill. I cannot help but think that anyone who would believe that is naïve in the extreme. There is no game of skill involved; it is a game of chance. It is just like any other game of chance.

One has an option and picks between teams or among teams a combination of victors and losers, the end result of which is that one's chance at winning is so remote that one might as well give away the money to the first poor person on the street. That would do more good than going through this process which the Government has established.

I want to make it absolutely clear that we are unalterably opposed to the passage of this Bill. We were opposed to it at second reading. I went into some detail at second reading as to why I felt it was inappropriate. In fact, with a little bit of humour I dealt with my then recent visit to Las Vegas. I had taken my son to Las Vegas just to see the place. At that time I pointed out the despair that I saw on the faces of those who walked out of the gambling casinos, the haggard faces of the gamblers who had sat there—

• (1230)

Mr. Siddon: How much did you lose?

Mr. Deans: I lost absolutely nothing. I never bet, as you know. I saw the haggard and unshaven faces of those who became hooked on the slot machines and the blackjack and poker tables that were there.

Over the years concern has been expressed to me by the families of those who have become addicts. Just as people become addicted to drugs and alcohol, they become addicted to gambling. They become addicted in such a way that the income from their job becomes insufficient to meet their addiction. Family homes are lost because of this as well as the family incomes which are necessary to provide for their day to day well-being.

While I do not pretend for one moment that the purchase of a lottery ticket will necessarily make that financial and substantial difference, I do not believe that the Government should be in the business of promoting further gambling.

Mr. Regan: Including the Government of Manitoba?

Mr. Deans: Including the Government of Manitoba; I do not make any distinctions. When I am opposed to something, I am opposed regardless of who does it. I will be blunt here; I was opposed when the Government of Ontario brought in Wintario. I said so in the Legislature. I might say that I was in the minority, but I stood and said that I was opposed to it, that it was wrong and it was not the direction to go. I would say the same to any government, regardless of its political leaning, that that is not the appropriate direction to go.

If we want to fund something like the Olympics, if a decision is made after careful consideration that it is important for Canada to host the Olympics or some other major sporting event, we then take on the concurrent responsibility to raise the money through normal channels to ensure that the funding is available.

What worries me about all of this is that we are looking at a set amount of money. I hope it is a set amount of money. There are just so many dollars available for the purchase of lottery tickets. All kinds of lotteries are being conducted from coast to coast. If we add a new lottery to the existing myriad of lotteries, we just further distribute the money. It is not new money. Other lotteries which supposedly provide money for local events, such as amateur baseball, amateur hockey, and in the case of Ontario and some other Provinces medical research, no doubt worth-while purposes, there will be fewer dollars available to those institutions as a result of our entering the field.

The end result will be that amateur hockey, baseball, lacrosse, and charitable organizations that attempt to provide recreation in many communities in this country will find that there are fewer dollars available to them; therefore they will not be able to meet their commitments. Children in every part of this country will not have the same degree of access that they have had in the past.

From my point of view, it seems to fly in the face of everything we believe in. I do not often use this kind of term, but frankly, I consider this to be morally wrong. It is wrong to be in the business in the first place. From a practical point of view, I also consider it to be wrong. It takes away from existing charitable funding that is so necessary in many communities. In many ways it is a further enticement to those who can ill afford it. They use the few dollars they have in the fond hope of that elusive prize, a prize which escapes almost all of them.

I urge the Government that it consider these arguments. I understand that they are not powerful arguments and that they have been made before; they are really just a response from my own experience with this. If it is the desire of the Government to fund whatever major undertakings we deem necessary for the enchancement of Canada's way of life and the enhancement of Canada on the international scene, we should do that legitimately. There are various means available to us now through the existing tax structure and the appeal for donations which are tax deductible and, therefore, beneficial to those who can afford to make them. However, we should not add further to the ongoing problems that develop as a result of encouraging people to believe that somewhere at the end of all this there is a pot of gold that they can reach for and thereby get something for nothing. You get nothing for nothing. Lotteries tend to sell on the basis of that theme. You do not get anything in this world without putting some effort into it. You will not become rich quickly from the purchase of a lottery ticket.

If people want to make contributions to the ongoing events of Canada, whatever they may be, they should do so according to their ability and their desire. Surely it should not be on the basis of the hope that they will derive some financial reward in the end, that they will become fabulously wealthy, because that financial reward eludes all but a few. The financial reward causes suffering even to those who win.

Even at this late point I urge the Government to reconsider and to agree that what it is proposing is not appropriate. To suggest that somehow or other it will enhance the sporting events of this land is ludicrous. The proper way to build a society is through a fair and equitable means of raising money,

not through a get-rich-quick scheme based on the sale of lottery tickets.

• (1240)

Mr. Friesen: Mr. Speaker, I did not want to interrupt the Hon. Member during his remarks but I did have a question for him. I accept at face value the sincerity of his commitment to the work ethic and to the fact that we ought not con people into believing that they can get something for nothing, and I agree with him about the immorality of the whole gambling scheme that the Government is venturing into. I cannot help but remember, however, that the New Democratic Party's constituency association in my riding of Surrey-White Rock-North Delta holds the franchise to sell the provincial lottery tickets. It may hold it in other British Columbia ridings as well.

I would therefore like to ask the Member whether he is opposed to what the Party is doing in British Columbia in this area. Without wanting to interfere with his own Party and with its convention this weekend in Regina, would he plan to try to get the New Democratic Party out of the lottery business in British Columbia?

Mr. Deans: Mr. Speaker, that hardly deserves an answer. However, I think I might as well rise. I believe that what I have said and put on the record is an adequate indication of how I feel about lotteries. I would ask the Member in return if he thinks that the perpetuation and growth of the lottery system by the Conservative Government in Ontario enhances the lifestyle and quality of life for the people of Ontario or in any way enhances the use of the systems that are so necessary for day to day life.

I believe the Hon. Member spends more time worrying about the New Democratic Party than he does about the problem itself. I am sure that if I were to look closely, although I have not bothered to do so, I would find Conservative organizations that do things that I do not like either.

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, I was going to begin by commending the Hon. Member for Hamilton Mountain (Mr. Deans) for the sincerity of his remarks because he certainly expressed many views that have been expressed by Members of this Party, although rather infrequently by some Members of his own Party, during the course of the previous debate. In light of the question asked by my colleague, the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen), I am not quite as assured of the sincerity of the Party which the Hon. Member for Hamilton Mountain represents, but nonetheless, his response seemed to be sincere in that he adheres to his position, which is, as I understand it, that governments in the country should not be participating in the gaming rackets.

As has been very capably expressed by many of my colleagues and especially by our spokesman in this debate, the Hon. Member for St. Catharines (Mr. Reid), I too believe that the Government's re-entry into the gaming area is a sign of the moral bankruptcy of the Liberal Party opposite. I would like to say that I think it sets a very poor example when Members of the Crown, those who are appointed to take charge and accept responsibility for the major problems in our society, which are principally unemployment and inflation, the management of Government and the maintenance of respect for law and order, set such a retrograde standard for all Canadians to witness.

This is particularly true, Mr. Speaker, in terms of the example set by for young people by the Minister of State for International Trade (Mr. Regan), who is pushing this Bill through the House on behalf of his colleague in the other place. Our young people are hopefully being brought up in a society which establishes law and allows people to pursue their own adventures at their own risks, but society must set certain standards for the people of the country to follow. I would like to assert again that I believe this Minister and the Government are helping to contribute to the degradation of the values that many of us in the country hold dear.

The valuable time of Ministers of the Crown is being taken to participate in the kind of gambling that we do not allow many other groups in the country to participate in. We are rigorous in terms of our enforcement of laws with regard to off-track betting. We regularly instruct the RCMP to raid the gambling houses of many Chinese Canadians who for centuries have participated in their traditional games of chance. Yet under the Criminal Code those games of chance are outlawed and people participating in them are prosecuted to the full limit of the law. I think that it is reprehensible when the Government comes to the House with a piece of legislation which would amend the Criminal Code to suit its convenience while it continues to prosecute people who operate games of chance without its sanction.

I do not know what the current practice is, but in fact, in the past charitable organizations that have run various types of raffles and lotteries and bingo games for various good works in the community have been punished and treated virtually as criminals by this Government and many of its predecessors. Yet now it is setting a new standard for our society.

The stated purpose of the Bill, Mr. Speaker, is to raise funds for so-called good works in our nation. It is to provide financial assistance for fitness and amateur sports, arts and culture, and medical and health research, as is stated in the list that is contained in Clause 18 of the Bill. Finally, and low on the list, comes the provision of funding for the Calgary Olympics.

The people of Canada are being told by Liberal Party Members and all of their paid publicity backs that we on this side of the House are holding up this Bill and therefore jeopardizing the conduct of the Calgary Olympics. Yet this Bill does not even establish a priority in terms of access to available funding for the Calgary Olympics. It puts it as the last item on the list. The Government has refused to accept our second amendment to this legislation which would make the Calgary Olympics the sole beneficiary of this initiative. I think, Mr. Speaker, that that belies the credibility of the Government's pronouncements outside this House that the poor people of Calgary and western Canada will not get the same kind of treatment that Montreal did in terms of the previous Olympics

if Conservative Members keep digging in their heels and opposing the Bill.

The fact of the matter, Mr. Speaker, is that we believe the Calgary Olympics can be funded and that the federal Government has a responsibility to share in the cost of those games, but there are various ways of financing such initiatives. The best and most direct means of doing so in the case of something as important and prestigious to Calgary and all of Canada as the Olympics would be to introduce a tax credit system that is the same as the one that operates in the financing of political parties in the country.

The Government could have allowed a 75 per cent tax credit on all contributions up to $200 from Canadians at large who would contribute to the Calgary Olympics. Then we would not have had to award patronage to all friends of the Liberal Party who want to build computer machines and earn commissions and set up stands in shopping centres. We would not have had to spend all of that money on advertising. We would not have had to con the Canadian people into thinking that they can get rich quick, therefore setting a standard of moral corruption on the part of the Government which runs in total contradiction to all of the progressive measures of taxation legislation that this Government and many of its predecessors have established over the years.

By a mere admendment to the Income Tax Act, the Government could attract millions of dollars for the Calgary Olympics and other worthy causes. This simple amendment would make it possible for people who contribute to charity to opt between sending a significant portion of their dollars to Ottawa or to some worthy cause. I guarantee that this would eliminate a whole layer of unnecessary bureaucracy here in Ottawa. It would allow Cabinet Ministers to take charge again of the important tasks for which they are responsible instead of wasting their energies on such corruption as a sports lottery.

I believe the Minister should hand his head in shame because, in fact, what he is doing runs totally contrary to the whole thrust and intent of the Family Allowance system, the Child Tax Credit system, our federal-provincial agreements on welfare payments, the Unemployment Insurance system, the old age pension system, the guaranteed annual income system for those in need, and all of our social support systems, Mr. Speaker. In particular, the very progressive nature of our income tax structure as represented in the tax table is being contravened by this measure that will get the Government of Canada back into the lottery business. We reject this initiative without equivocation even though, as the Hon. Member for St. Catharines pointed out, we cannot go on obstructing all summer. If this is the Government's only way, in its obstinancy, to see to it that the people of western Canada are not left carrying the can for the Calgary Olympics, then I suppose we will have to let the measure go through.

• (1250)

Mark my words, Mr. Speaker, just as Loto Canada failed, just as Loto Select failed even before it got off the ground after the Government wasted $37 million on that boondoggle, this sports pool corporation will also fail. My colleague has wished it well, but if I have anything to say in the next Government of Canada, I will ensure that this type of corrupt initiative is replaced with proper and progressive amendments to the Income Tax Act. We must ensure that volunteer organizations are again funded by Canadians giving of their own free will and not by those who want to get rich quick by taking a chance on a lottery ticket.

In the course of the debate many statistics have been produced to show that those who buy lottery tickets are people at the low end of the income scale. The Minister shakes his head but he knows full well that those who are most careful with their money, the shrewd investors in society, the successes in society, do not buy lottery tickets. He knows that it is the people who get a welfare cheque who buy lottery tickets. They think they have a chance because they see on television or read about some elderly couple who won a million dollars and so they tend to feel that they too have chance, even though the odds are something like 10 million to one against their winning. The odds against happiness after winning are great as well. Nonetheless, the Government is enticing people who can least afford it to buy tickets. Every time they walk into a shopping mall or go to a sporting even or turn on the television, they are coerced and persuaded by the Government of Canada, with that nice, neat, official Liberal logo, to buy lottery tickets. That reflects the moral bankruptcy and corruption of this Government.

When we couple this move with the introduction of electronics into gaming and see the potential for abuse—for outright fraud by people who know how to write computer programs—and when we connect that with some of the people who will be licensed to sell tickets, we see the potential for harm. The concessionaires with license to sell the tickets are usually good friends of the Liberal Party. When we couple that with the people who get the contract to build the systems, like a constituent of mine who is looking for the contract to build these systems and happens to be a former Liberal Cabinet Minister by the name of Cafik, we see the potential for abuse if there is no requirement for public accountability.

I suggest there is the possibility of a major scam being perpetrated, not in the Government's official name, but by people who would stoop to that. The system can be rigged, Mr. Speaker. We have not been convinced that there will be control over the issuance of vouchers. Anyone can program a computer to spew out a lot of extra tickets. There will be no control on the odds; they will just keep selling tickets because they want to raise money for worthy causes.

If the wrong people intervene in the system—and here we are getting into the area of computer crime—a lot of money can be siphoned out of the system. That is why one of the amendments put forward by this Party asked that the books and accounts of the Sports Canada Corporation should be fully audited and scrutinized by the Auditor General. We find it strange that the Government rejected that amendment, just as it rejected our amendment to ensure that the funds would go first to the Calgary Olympics. The Government also rejected

our amendment which would have assured that this move could not lead to a wide open promotion of a myriad of electronic games. We are already plagued with these in our communities. Our kids are hanging out at the electronic pinball palaces, where they run into people who push drugs and commit petty break and entry in order to pay for their habit. We read about that in society today.

The Government has rejected our amendment which would have restricted the scope of this kind of lottery, so there is nothing to prevent it from going into all kinds of electronic gaming and distributing these things in our communities where they can corrupt our children. This can all be done with the nice red and white Liberal Party logo stamped in the corner—"officially on behalf of the Government of Canada".

I think that what the Minister is trying to put over in the House smells to high heaven, Mr. Speaker. I put a question in the House to the former Minister who had responsibility for Loto Select. That boondoggle had ordered $17,000 worth of foil-wrapped chocolate candies to be given away as a promotional gimmick. It had leased space in a building in Vancouver, hired a lot of people and entered into a contract with General Instruments of the United States, without going to tender, for 2,000 slot machines as part of the Loto Select initiative. At the end, the whole thing was written off at a cost of $37 million, including severance allowances and $10,000 compensation for over 50 employees.

This all happened under the aegis of that other great prominent Liberal, the former Minister of Fitness and Amateur Sports who came from Skeena and who now presents herself as President of the Liberal Party of Canada and perhaps future candidate for the leadership of that Party. In answer to the question I put to her in December, 1978 about the corruption, scandal and lack of control over the Loto Select boondoggle, she said that Canadian lottery winners are extremely intelligent in their investment in Loto Canada because they are able to maintain most of their dollars in their bank accounts.

Such stupidity, Mr. Speaker; such utter, unadulterated stupidity. This was the reply of a Minister of the Crown who was giving all her time to promoting Loto Canada. She was running around smiling, jumping over barricades and pretending to be a fitness freak when she should have been attending to Government business in some important economic portfolio. We are going around in that same old circle again, Mr. Speaker, with the present Minister who is not destined to sit long in this House. But he wants to go out in flames of glory and leave something that we will have to eliminate when we take office.

The former Minister said that Canadian lottery winners are extremely intelligent in their investment because they are able to maintain most of their dollars in their bank accounts. What about the losers, Mr. Speaker? The losers are the ten million who buy a ticket and do not win. What about the investment in their bank account? They are spending household money at the rate of $40 per capita. If we were to examine the weighting toward low-income Canadians, I wager that many of them would be spending $100 per capita. What about their bank accounts? Is it so intelligent for the Government to encourage them to spend money that should be spent on children's shoes and clothing, mortgage payments and all the things they need in times of tremendous economic difficulty? It smells of moral bankruptcy, Mr. Speaker.

It is quite clear that Members of this Party will vote against this measure. All the indications are that the revenues predicted cannot possibly be realized. If the Quebec hockey lottery is any example, the Government will be lucky to raise $10 million or $20 million, not the $80 million or $100 million that was predicted.

In conclusion, I should like to say that the people of Canada will remember this and demand some changes. Already they are demanding a return to family values and respect for all the things that government should do as an example to our children. I for one will do everything I can to eliminate the sports pool operation when it comes before the next Government of Canada.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I rise to take part in the debate on third reading of Bill C-95. May I call it one o'clock before I start my remarks and continue after Question Period?

The Acting Speaker (Mr. Corbin): Is it agreed?

Some Hon. Members: Agreed.

[*Translation*]

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

NATIONAL UNITY

ALLEGED DECLARATION BY PREMIER RENÉ LÉVESQUE IN FRANCE

Mr. Raymond Savard (Verdun-Saint Paul): Madam Speaker, today, on behalf of all senior citizens groups in the riding of Verdum-Saint Paul, I wish to speak out against the statement made in France by Mr. René Lévesque. I think the Premier of Quebec must have been out of his mind to make such a shameful statement, in which he said that he would win the

next referendum on Quebec's independence, because today's senior citizens would have disappeared and would no longer be able to vote against the proposal. Personally, I want to join the thousands of Quebecers who respect the senior citizens who built this beautiful country called Canada, and I find it incredible that this Premier does not even think twice about the disgraceful way he is treating these people, and keeps cutting the services to which they are entitled as he has been doing for several years. A number of senior citizens in my riding have expressed their displeasure with the Premier's statement, and I hope that all senior citizens associations in Quebec will see it as their duty to write to the Premier and let him know they will have the last word in the next provincial election.

* * *

[*English*]

WORLD COUNCIL OF CHURCHES

GREETINGS TO SIXTH ASSEMBLY

Mr. Walter McLean (Waterloo): Madam Speaker, one of the most significant gatherings of this decade will take place in Canada from July 24 to August 10 when the Sixth Assembly of the World Council of Churches convenes at the University of British Columbia. Nine hundred and thirty delegates from 304 member churches around the world, representing 440 million people in over 90 countries, will be affirming "life", in a world that faces life-denying forces each day. The Assembly theme, "Jesus Christ: Life of the World", has been chosen to focus prayer and discussion on justice and peace, on threats to human survival, and on violations of human dignity.

All Members of the House of Commons will want to relay their warm greetings and prayers of success to the Assembly through the 25 Canadian voting delegates, who represent the following member churches: Anglican, Disciples, Lutheran, Greek Orthodox, Presbyterian, Assyrian Catholic, Quaker and United. Four Canadian Roman Catholics have been appointed by the Vatican as official observers. Also observing will be representatives of other major faiths: Jewish, Muslim, Hindu, Sikh and Buddhist. Joining the delegates will be 2,000 observers and staff. A 1,000-member international press corps, supported by live satellitle transmisssion, will interpret the Assembly's work to the global community. The welcome decision of the CBC to carry the proceedings live on the parliamentary channel will enable Canadians to share in this sixth global ecumenical assembly.

* * *

SCIENCE AND TECHNOLOGY

MEASURES URGED TO OVERCOME JOB DISPLACEMENT

Mr. Peter Lang (Parliamentary Secretary to President of the Treasury Board): Madam Speaker, I rise on an issue of importance to all Canadians. We are all aware of the positive long-term effects of the technological revolution, particularly increased productivity and greater wealth generation. However, Madam Speaker, resistance to technological change is increasing, and will continue to increase if we do not dramatically increase our collective efforts to deal with the major negative outgrowth of the technological revolution, job displacement. For just as low inflation is a prerequisite for low interest rates and real economic growth, job security is a prerequisite for an economic environment which promotes a rapid adoption of technological advance as opposed to growing resistance.

Last week, in my riding of Kitchener, 300 workers from three textile factories, Forsythe, Arrow and Bill Klein Ltd., marched down Main Street with a message for me to take back to this House of Parliament. Their plea, Madam Speaker, was for job security.

Increased profit and production provide little solace to people who cannot look with any kind of security to their future. Promises of greater wealth and benefit cannot mitigate the fears of Canadians concerned for their jobs. We must realize that as output increases, the required manpower input does not necessarily increase—

Madam Speaker: Order.

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NATIONAL ENERGY BOARD

OBJECTION TO APPROVAL OF PROPANE TRANSFER STATION IN FLAMBOROUGH, ONT.

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, I want to draw to the attention of the House a matter which is not only of intense local concern in the Township of Flamborough, in my riding, but is an example of what can happen when powerful federal agencies make critical decisions affecting communities without listening to the people. Ottawa's National Energy Board has approved a big propane transfer station on a stretch of Highway 6 in Flamborough, without any input from the citizens whose safety and property values will be endangered.

There are three facts which have caused strenuous objection by my constituents to the Interprovincial Pipeline Limited plan to locate a propane transfer station at Harper's Corners. First, the stretch of Highway 6 being selected is known as "the killer highway" because of scores of traffic deaths due to freaky weather conditions. Second, some 45 school buses turn on and off Highway 6 each school day. Add to that the frightening fact that at least 60 propane tanker trucks will be wheeling on and off the same killer strip 24 hours a day at the proposed location which is approved by the NEB. Third, no written communication with residents in the area, prior to Interprovincial Pipeline's application being promptly approved by the National Energy Board, is anywhere on record that the Township of Flamborough, or I, can find.

Clearly, Madam Speaker, something has gone haywire with the required consultation process between Interprovincial Pipeline, the National Energy Board, and the people. The NEB says it is "very sensitive to the feelings of the communities concerned". Very well, let the Board prove it in this case.

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STATUS OF WOMEN

GOVERNMENT'S AFFIRMATIVE ACTION PROGRAM

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, the mandatory affirmative action program which was announced by the Government this week is certainly better than nothing, but the victims of discrimination, intentional, systemic, or whatever, must be wondering why it took so long and whether it is enough. The largest group affected are women who have been under represented in the upper echelons, over-qualified and underpaid for years. How many people will actually benefit from the proposals, with economic restraint and hiring freezes?

[*Translation*]

The new program is a dream for public servants and a nightmare for activists. Let us note that the Government is not expected to do anything before the next election. Reference is made to guidelines and numerical objectives, but the latter have not been set. The action program will not even be implemented before 1985.

[*English*]

The inquiry into Crown corporations, the choice of the companies and of Judge Abella, are commendable, but why now only another study? The Royal Commission on the Status of Women back in 1970 recommended that Crown corporations establish means to institute their recommendations and otherwise improve the situation of women in employment. Finally, let us be clear that the proposals are only to move women up the corporate ladder, not to improve the situation of the large numbers of women not promoted. Contract compliance measures to extend equal pay for work of equal value into the private sector are still needed.

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CANADA DAY

FLYING OF NATIONAL FLAG

Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport): Madam Speaker, in celebration of Canada's 116th birthday on July 1 of this year, I wish to encourage all Hon. Members of this House, and all Senators, to encourage their respective constituents to fly the Canadian flag during Canada Day celebrations on Friday, July 1, and during Canada Week. It is a time to emphasize the benefits of national unity, to encourage a greater understanding among Canadians, and to encourage pride in our country.

The allotment of 75 large Canadian flags, 400 table flags, and 3,000 Canadian flag lapel pins, which each Hon. Member receives annually, was never meant to be kept in drawers or offices. The Canadian flag, in whatever form, was meant to be flown or worn, particularly on Canada's birthday, and I again encourage all Hon. Members, Senators and their constituents, and indeed all citizens of this great country, to fly and wear these Canadian flags during the celebrations of Canada's birthday.

* * *

• (1410)

POLITICAL PARTIES

POLICIES PROPOSED BY WESTERN MEMBERS OF NEW DEMOCRATIC PARTY

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, being a son of Saskatchewan I have long watched with interest and fascination the activities of the CCF and the New Democratic Party. The steady decline in the support of the Party to my left in the polls, particularly in the West, has no doubt raised concerns about the political future of its members, their policy positions and leadership. Indeed, they have every right to be concerned when it is so clear that the hopes and aspirations of western Canadians are best represented by the Progressive Conservative Party of Canada.

Some of the prominent western members of the NDP issued a statement of principles, a new Regina Manifesto, which they want to see debated at the upcoming national convention in Regina. Former Premier Blakeney, and Mr. Notley of Alberta, seem to be concerned with the federal NDP's capacity to come down consistently on the wrong side of each issue.

Many people in the West had a good deal of respect for the CCF and its leadership. It appears, though, the western faction of the NDP feels the current policies and leadership of the Party will lead it into the political wilderness. It is because of my deep concern for the NDP, and my sadness at seeing a political movement disintegrate at this time in Canada's history, that I make this suggestion. Perhaps the Party's problem is its leadership. Perhaps the person who has been calling the shots should go. Perhaps Dennis McDermot of the CLC' the real leader of the NDP, must go.

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EXTERNAL AFFAIRS

CENTRAL AMERICA—UNITED STATES INFLUENCE ON LENDING POLICIES OF INTERNATIONAL FINANCIAL INSTITUTIONS

Mr. Bob Ogle (Saskatoon East): Madam Speaker, the Centre for International Policy, a U.S. research organization based in Washington, claims that the Reagan administration has basically succeeded in its campaign to make international financial institutions like the International Monetary Fund, the World Bank, and the Inter-American Development Bank,

cut loans to Nicaragua but multiply aid to El Salvador and Guatemala. As an exemple, the Inter-American Development Bank is now considering building two bridges to span the Lempa River in El Salvador, both of which are of strategic importance to the army in the civil war which has lasted for over three and a half years.

The Washington institute states that, "in the last half of 1982, the United States was able to squeeze $205 million out of the international financial institutions for El Salvador, limit Nicaragua to $34 million, and brush aside vigorous congressional opposition to Guatemala." All this has been done even though the international lending institutions have non-political charters forbidding discrimination against member countries, and requiring that loans be decided on economic grounds alone. Actually, the U.S. support for an Inter-American Bank Loan to Guatemala is significant, because it was the last right wing country on which U.S. human rights voting policy was in effect. Now the law is being applied only against leftist dictatorships like South Yemen.

In light of this, I call upon the Government to take to heart the proposals of the Canadian Task Force on the Churches and Corporate Responsibility, a group representing the Roman Catholic Church and Protestant denominations, to oppose IMF loan applications from countries engaging in or condoning "consistent and gross violations" of human rights.

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EXTERNAL AFFAIRS

UNION OF SOVIET SOCIALIST REPUBLICS—GRANTING OF EXIT VISAS TO PENTECOSTALISTS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, on numerous occasions I have risen in this House to criticize the Soviet Government for their suppression of human rights of Soviet citizens, and in particular their steadfast refusal to grant exit visas to those wishing to leave the Soviet Union for religious and intellectual freedom or to be reunited with family members in the West.

Earlier this week the Soviet Union allowed five Pentecostal members of the Yashchenko family to emigrate. I have today sent a letter to Mr. Yuri Andropov to commend his Government on this action, and urging him to issue exit visas to other Soviet citizens wishing to leave for legitimate reasons. There are over 350,000 Pentecostal believers in Canada who welcome this good news about their fellow believers.

Soviet officials should know that if they wish to improve relations with Canada and our allies, and establish good will with Canadians, we need to see more action of this nature. Unfortunately, the Yashchenko family are the exception, not the rule. Thousands of Soviet Jews have been refused permission to leave. Hopefully, however, this is a sign of a reversal in Soviet policy, and I wish to commend Mr. Andropov on this decision and urge him to grant the same treatment to the thousands who are still waiting and hoping.

HOUSE OF COMMONS

REGRET AT ABSENCE OF MOTIONS UNDER PROVISIONS OF STANDING ORDER 21

Mr. Arnold Malone (Crowfoot): Madam Speaker, I rise today to make a statement against statements. Since January, when we adopted new rules, I believe that there has been a great undercutting of Members of Parliament because we now cannot put motions which will cause action to be taken over the words we say in the House. I believe it is quite irrelevant whether we talk of the equality of women, native rights, or the release of Jews from the Soviet Union, if individual Members of Parliament cannot attach to their comments a motion requiring action. It was for that that our constituents sent us to Parliament. To give pretty speeches which have as much effect as if you had given them under a full moon, at midnight, at the bottom of Lake Superior, is no different than having a public speaking competition somewhere out in Boy Scout or 4-H Club country.

I simply say that the time honoured right of Members of Parliament to make a motion to cause action needs to be returned to this House, especially so in light of the fact that it is becoming increasingly difficult—and I understand the reasons why—for Members to make Private Member's Motions. For those reasons I simply urge my colleagues in the House, when this experiment is over, to take a strong look at the matter of statements and to remember that action is more important than words, because Parliament needs to be accountable.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

PRIME MINISTER'S TELEVISED STATEMENT—INCREASE IN UNEMPLOYMENT

Hon. James A. McGrath (St. John's East): Madam Speaker, my question is directed to the Prime Minister who spoke to the unreal world of television last night. Here we have to deal with reality, because he did not deal with it last night. Indeed, it was a cruel way to treat the two million unemployed Canadians when he said, "This is not a time of crisis. I speak of a time of rising hope."

How can the Prime Minister say that to the two million unemployed in this country? How can he say we have come a long way this year when, in actual fact, from last May until this May we have 265,000 more Canadians unemployed—87,000 women, 91,000 young people, and 92,000 heads of families? Where is the rising hope, where is the lack of crisis the Prime Minister spoke of on television last night?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I regret that the Hon. Member did not hear or watch

the television program or, if he did, that he switched it off much too soon. I did point out quite clearly we could not talk of a recovery in the true sense when there were still a million and a half Canadians unemployed. I made that point very emphatically. That is why I enjoined Canadians to continue to keep inflation down. We all know that, if inflation is down, investment will proceed, and if investment proceeds, jobs will proceed. In fact that is sustained by empirical evidence. I gave the figures of the last four months when new employment was created at a record-breaking rate. That, Madam Speaker, is because the recovery is beginning to be in sight and investors are beginning to realize they can plan for a more prosperous future. That creates jobs and tends to reduce the number of unemployed.

It is not a very complicated message. Its essence, if I can simplify it for the benefit of the Hon. Member, is that we must continue to do as we have in the last year in keeping inflation down. That is the essence. I dare the Hon. Member to take issue with that statement and say that, on the contrary, we should let inflation go up again and somehow this would help the unemployed.

PURCHASING POWER OF CONSUMERS

Hon. James A. McGrath (St. John's East): Madam Speaker, I do take issue with that statement. How can the Prime Minister and his Government expect employment to continue to grow when, as the first quarter GNP figures show, the real purchasing power of Canadians continues to decline? It has in fact declined by 3.3 per cent, whereas in the U.S. it has increased by 2.7 per cent. Interestingly enough, unemployment in the U.S. will soon be below double digit, whereas we are told by the Minister of Finance to continue to expect double digit unemployment in this country until the end of the decade. How can we expect employment to grow in this country, how can the Prime Minister offer any hope to the unemployed in this country, when that is the reality we have to deal with in this place?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, first of all the Hon. Member is misquoting the Minister of Finance. Second of all, he asked how I can offer any hope. I think that is really a partisan question. We on this side of the House believe there is hope for Canada, those on the other side do not believe in hope. That is the whole difference between us, and I will never be able to convince them that this country does hold out hope for Canadians.

• (1420)

INCREASE IN LONG-TERM UNEMPLOYED

Hon. James A. McGrath (St. John's East): I would like to take the Prime Minister's word. I would like to know where the hope is. What hope can I offer to the long-term unemployed of this country who have risen by 262,000 since last year? As of May we have 795,000 Canadians who are considered to be long-term unemployed, an increase of over 260,000 over last year. Real purchasing power continues to decline. Canadians will not continue to spend their savings. Where is the job growth the Minister talks about? Where is the hope he talks about? I ask the Prime Minister, now that he is in the House of Commons, to deal with reality.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member asks how consumers will continue to spend and have hope if this situation is as bleak as he said. He need only consider the statistics. Housing starts are up. Job creation is up. Consumer demand is up. Industrial production is up. Investment is up. Obviously—

Mr. Stewart: Gallup Polls are up.

Mr. Oberle: Your time is up.

Mr. Trudeau: Obviously, Madam Speaker, there is no time when everything is perfect anywhere.

Mr. Deans: Unemployment is up. Bank profits are up.

Mr. Trudeau: There are always some negative signs that one can see, and that is the reality of Government. There is no time that is perfect. However, there are two approaches to the present situation. One is to consider only the negative signs and to say we must therefore be ruined as a country, and the other is to balance the negative and the positive signs and see if things are more positive on the other side and, if so, legitimately to hold out hope for the people of this country. That is our approach as opposed to that of the other side.

Some Hon. Members: Hear, hear!

Miss MacDonald: There will be hope if you leave.

Madam Speaker: The Hon. Member for Victoria.

Mr. McGrath: Madam Speaker, I am sorry. I forgot to mention—

Madam Speaker: Order, please. I am sorry, but I recognized the Hon. Member for Victoria.

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NATIONAL DEFENCE

FRIGATE PATROL CONSTRUCTION CONTRACT—KEEL LAYING DATE

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Minister of National Defence. First, I would like to compliment St. John Shipbuilding on the well deserved win of the frigate contract.

Some Hon. Members: Hear, hear!

Mr. McKinnon: The original program called for the first ship to be completed in 1985 and the sixth ship to be delivered in 1989. The Government has taken over three years to reduce the number of contestants for the contract from two to one. Now it is announced that it will be another two years before a

keel is laid. Could the Minister tell the House if this long delay is due to cash flow problems within his Department?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I do not think that delay was due to cash flow. I expected the Hon. Member to congratulate not only St. John Shipbuilding and Drydock but also the Government for having taken this important decision.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Lamontagne: Since the Hon. Member was Minister of National Defence I think there have been many important decisions taken by this Government concerning incorporation and modernization of our equipment in the Armed Forces. These decisions could perhaps have been taken by the former Minister much sooner, if a decision had been taken when he held that position.

Mr. Wilson: Three years ago. That's pretty weak.

Mr. Lamontagne: This question of modernizing our naval fleet is one of great concern to us. As I said this morning in my speech, this is the first batch of six frigates which will be in operation by the 1990s. That does not mean that over the course of the next few years we will not look again to a second batch, and perhaps a third batch, so that by the year 2000 we will be able to have a fleet which is fully modernized, well equipped and, at the same time, meets all our commitments to NATO. This is the aim of the Government in accordance with the financial resources that we will have at our disposal.

Mr. McKinnon: There must be a statute of limitations on when the Minister must quit blaming the preceding administration for things. In three years, he should have learned.

RATIO OF INDUSTRIAL BENEFITS ACCRUING TO WEST

Hon. Allan B. McKinnon (Victoria): Madam Speaker, the background information kit indicated that in the distribution of benefits from this program, the West will receive only 6.5 per cent of the industrial benefits. This follows a disappointing 9 per cent of the long range patrol aircraft benefits, with B.C. receiving 1 per cent of those benefits, and western Canada receiving 3.5 per cent of the benefits of the F-18. I would like to know if the Government considers this to be fair. Will it ever be fair to western Canada in the distribution of benefits from these major projects?

Mr. Deans: Of course not.

Mr. McKinnon: I would ask him to note that I have not even mentioned the $650 million refit for Tribal Class destroyers which seems to be going to Davie Shipyard without benefit of any competition.

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, the hon. gentleman is quite right in saying that there will be $158 million for western Canada in terms of the contract itself. However, I would also point out that during the press conference this morning, recognizing that because there was no bid coming from western Canada and the Pacific shipyards, and that there had to be a distribution of shipbuilding benefits, we directed that the 1200 series icebreaker, which is worth more than $100 million, will be kept reserved for West Coast competition only.

Mr. Forrestall: What about Halifax?

Mr. Blais: As well, the hon. gentleman knows that there are two 1100 series icebreakers that will be directed to western shipyards, involving close to $100 million of additional work.

Within the very near future I will be announcing Department of Fisheries and Oceans vessels, one 69 metres and another 72 metres, that will be awarded to West Coast shipyards. As well, there is repair work that is going into the West Coast shipyards. Last month I announced the multiship refit which is valued at more than $50 million.

Madam Speaker, I know that you are becoming impatient and I will therefore stop reciting my list at this time.

* * *

THE ECONOMY

PRIME MINISTER'S TELEVISED STATEMENT—DECREASE IN INFLATION

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, to continue with the Prime Minister's litany of things that are up, I would remind him that shall business bankruptcies are up, personal bankruptcies are up, corporate bankruptcies are up, farm bankruptcies are up, ranch bankruptcies are up, youth unemployment is up, seniors having difficulty are up, the ire of most Canadians is up, and the index finger of most Canadians is now going up.

Mr. Dawson: The NDP is down.

Mr. Riis: My question is directed to the Prime Minister in response to his discussion on television last night.

Some Hon. Members: Hear, hear!

Mr. Riis: Madam Speaker, my father was a farmer on the Canadian Prairies in the 1930s.

Some Hon. Members: Order.

Mr. Riis: His daily income was 50 cents a day because of the Depression, when he could buy a meal for 15 cents as a result of the Depression. In other words, the cost of living had decreased as a result of the depression-like conditions in Canada.

Did the Prime Minister not feel a wee bit like a phoney last night when he was taking credit for the decrease in inflation when, in fact, he knows full well that the de-escalation in

wages and salaries has been a result of the recession-depression, and that the de-escalation in price increases has also been a result of the recession-depression-like conditions?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member must not have listened to the program, either. I did not take credit for any reduction in inflation. I said that the Canadian people should be congratulated for having, by an act of national will, brought inflation down.

Some Hon. Members: Hear, hear!

Mr. Trudeau: I was asking myself how both Opposition Parties would greet the news yesterday that inflation had been cut by more than half in one year—

Mr. Stevens: It is still double the American level.

Mr. Trudeau: —when, last year, everything we heard from the other side of the House, and, indeed, much of the legitimate complaint of the country was that inflation was too high—

Mr. Stevens: So it was.

Mr. Trudeau: —and that interest rates were too high—

Mr. Stevens: So they were.

Mr. Trudeau: —and that they should be brought down—

Mr. Stevens: So they should.

Mr. Trudeau: —in order that jobs be created. I knew that they would find an answer. I did not know what it would be, but I knew it would be certain not to recognize that it was a good thing that inflation came down. They would find something else, and they did.

An Hon. Member: And not very well.

Mr. Trudeau: And not very well, as my colleague says. The fact is that inflation was cut in half. The fact is that a year ago the Conservative Party and the New Democratic Party were complaining about inflation being double digit and being too high. All of this has come down in the space of the year. I think the Canadian people can take credit for that, no matter what the opposition says.

• (1430)

Mr. Riis: I welcome that clarification. Just so that we all understand, the Prime Minister is saying that the six and five program of the Government had nothing to do with the de-escalation in inflation. I think that has been clarified, then.

REQUEST THAT MEETING OF FIRST MINISTERS BE CONVENED

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, it became clear from the Prime Minister's speech on television last night that the further actions of the Government will not be to create long term meaningful jobs, because of its obvious inability to do so, but to continue with more wage restraint. He indicated a call to the Finance Ministers to discuss the issue of continuous restraint.

Considering the fact that two million people are still left jobless, by his own admission last night, would the Prime Minister not consider it more appropriate to call a meeting of First Ministers to discuss the issue of how to get Canadians back to work, as opposed to discussing further ways of trying to restrain public servants?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the question is obviously rhetorical. If the Hon. Member is asking about what I said last night, the message was not essentially one of restraint but one of coming prosperity.

More importantly, the message was that if we wanted prosperity to continue coming we had to keep inflation down. That is the view of this side of the House. If the other side want to argue that that is not important, that we can shoot inflation up again and everything will be okay, let them take the responsibility for that policy. I would suggest that it is not the policy of the new Leader of the Conservative Party nor, hopefully, of the Leader or new leader of the New Democratic Party.

Some Hon. Members: Oh, oh!

Mr. Trudeau: Once again, I challenge the New Democratic Party, as I challenge the Tory Party, to state that the fight against inflation is over to the point where we do not have to worry about it again and the Minister of Finance does not have to discuss that subject. Perhaps the Parties opposite feel that inflation has definitely been wrestled to the ground, but I am not sure that is true.

PLIGHT OF UNEMPLOYED

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I have a supplementary question for the Prime Minister. He should know about wrestling inflation to the ground. He has been in the ring with it for 14 years.

Madam Speaker: Order. The Hon. Member is again commenting on the answer. Members must proceed right to their question.

Mr. Waddell: It is so tempting, Madam Speaker.

Would the Prime Minister not agree that the reality of the situation is that we have to deal with the unemployed? We have 1.5 million unemployed. For example, what do I tell my people in British Columbia today when the Prime Minister refuses to award a shipbuilding contract on a regional basis? There is no work for those yards out there. There is no work for a lot of other people in other industries.

Why does the Prime Minister not agree with what Premier Pawley said, and call a First Ministers' Conference on what everyone in the country is concerned about, which is not inflation but unemployment?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Hon. Member wants to know what he should tell his constituents. He could tell them to look at what I said last night. Sixty-eight thousand jobs were created in May, and these are seasonally adjusted. The absolute figures would be immensely higher than that. Another 68,000 were created in April, and more than half of these jobs went to young people. This is something he can tell them.

Instead, he could take the usual NDP negative view, of gloom and doom, by saying, "Well, inflation is cut in half but that ain't good enough. We should worry about something else."

I repeat that cutting inflation in half was stated by those Parties opposite last year as the essential precondition to bring interest rates down and create jobs. All I said last night was that this had happened. I never said that we had worked miracles. I said that it had happened. The real jobs to be created are ahead. That is why I said we are at a crossroads. We can throw it away if we want.

Mr. Fennell: Always in the future.

Mr. Trudeau: On this side we move one step at a time. We cannot do everything today for everybody at the same time.

* * *

[*Translation*]

SHIPBUILDING

REQUEST FOR DETAILS OF $2.3 BILLION CONTRACT

Mr. Jacques Olivier (Longueuil): Madam Speaker, my question is directed to the minister of Supply and Services. I would like to ask whether the Minister could confirm the news about the contract award announced today, involving $2.3 billion, which will create a high-tech center to the Province of Quebec, as a result of transfer of technology from Paramax and Vickers Versatile.

Hon. J.-J. Blais (Minister of Supply and Services): Yes, Madam Speaker. There are two major factors here. As the Hon. Member is aware, the frigate has an arms system consisting of anti-submarine missiles and equipment, and Paramax, which is a branch of Sperry, will be responsible for integrating all these systems. This means that a staff of about 400 people will be located in Montreal. In addition, Vickers will be the main subcontractor for Saint John Shipbuilding & Dry Dock Co. Ltd., for the purposes of construction of three of the frigates at the Marine Industries shipyards. The company will also be based in Montreal, which means a transfer of some 140 employees to this metropolitan area.

[*English*]

INDUSTRY

MAISLIN TRANSPORT LTD.—INQUIRY RESPECTING APPOINTMENT OF DIRECTOR BY GOVERNMENT

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. He will know that concern still exists regarding the long term financial stability of Maislin. These concerns were further heightened by the recent closed door shareholders meeting held in Montreal.

A year ago the Government guaranteed a loan of $34 million to Maislin on the basis that the Government would be allowed to appoint a director to the board of directors in order to protect the taxpayers' interest. Is the Government going to appoint such a director, or not?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, we have not been able to find an individual with the expertise in that industry who is willing to sit and who does not have a potential conflict of interest sitting on the board of directors at this point in time.

Mr. Lewis: It is sort of like being appointed first mate of the Titanic.

PROTECTION OF TAXPAYERS' INTEREST

Mr. Doug Lewis (Simcoe North): Madam Speaker, Maislin's losses over the past two years have totalled the amount of the loan. In fact in the first three months of this year the company lost over $4 million. Yet there has been no Government director appointed to protect the taxpayers' interest. In view of that failure, what steps has the Government taken to protect the taxpayers' interest with respect to the company's assets, especially the rolling stock, to make sure that it stays in Canada?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): First, Madam Speaker, the Hon. Member will know that we are not shareholders of the Maislin Corporation. As I said on several occasions in the House—and the Hon. Member who is a chartered accountant knows the role of directors—the role of a director is to ensure that the company protects the interests of the shareholders of that company. The Government of Canada is not a shareholder of that company at this particular point in time.

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AIR CANADA

SELECTION OF HEAD OFFICE LOCATION—PRIME MINISTER'S DISCUSSION WITH FORMER CLERK OF THE PRIVY COUNCIL

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, my question is directed to the Prime Minister. Yesterday

the Minister of Transport said, as reported at page 26853 of *Hansard:*

—it would be normal for Mr. Pitfield in his former capacity to write to me or to other Ministers expressing his views or the views of the Prime Minister on matters of this kind.

Did the Prime Minister discuss with Mr. Pitfield the development of the McGill College Avenue area before Mr. Pitfield wrote to the Minister of Transport?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I did discuss with Mr. Pitfield the fact that Air Canada was thinking of building or purchasing new quarters in Montreal. I did indicate to Mr. Pitfield that I would want to make sure that that decision was not purely a corporate decision taken for the convenience of Air Canada but that the Minister of Transport was brought into this discussion so that the Government's input could be made known.

• (1440)

ROLE OF AIR CANADA CHAIRMAN

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, I have a supplementary question for the the Prime Minister. Can he tell the House that, in view of his concern, the Minister of Transport perhaps was not involved in some of these matters, and that his interest was stimulated by the Chairman of Air Canada, Mr. Amyot, in representations which the Chairman made to the Prime Minister or to Mr. Pitfield?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, my interest was essentially to make sure that Air Canada would make a decision which was good for the unemployment situation in Montreal—

Mr. Wilson: Come on, Pierre.

Mr. Trudeau: —that they would be looking, as the Government is, for hopes of an economic renewal in that city, and that any decision made by a major Crown corporation, like Air Canada, would be in some way compatible with such economic recovery.

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INDUSTRY AND LABOUR ADJUSTMENT PROGRAM

CRITERIA GOVERNING PROGRAM IN PORT ALBERNI, B.C.

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, my question is addressed to the Minister of Employment and Immigration. Last December the Government announced an Industry and Labour Adjustment Program to the tune of about $15 million for Port Alberni, which was experiencing 25 per cent unemployment. In the six months that program has been in place only 133 temporary jobs have been created, paying $175 a week. With regard to that program, which is basically set up to deal with central Canadian manufacturing industry, will the Minister review the criteria for the program so it would more aptly apply to a primary resource industry in Port Alberni, such as forestry, fishing and tourism, so that jobs can be created from the $15 million promised for the workers of Port Alberni?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, the Hon. Member will be pleased to know that I have just received a report from members of my advisory council whom I had asked to do an examination of the labour adjustment programs that we have established. Mr. Emile Vallee, who is a member of the CLC and also a member of that council, visited Port Alberni, has just given me a report recommending certain changes. He pointed out that the difficulty with the program is that we tried to deliver it through the auspices of the local community where we brought together community leaders, municipal authorities, and officials. Under that program we are trying to work up a system where local people would be the primary sponsors of new programs. He has recommended it to me. I hope to be able to visit Port Alberni this summer to go over those recommendations presented by the advisory council. After those recommendations are implemented, I am sure the program will achieve the objectives we established for it.

REQUEST FOR EXTENSION OF QUALIFYING PERIOD

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, with regard to the Minister's answer, I might add that the established criterion for ILAP is a one-year period. In Port Alberni we still have 2,400 people on unemployment insurance, 2,000 people on social assistance, and 1,400 people who have only part-time work. Could I have some assurance from the Minister that the period for qualification for those funds can be extended past the one-year period, considering the utter failure of the program up to this point?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, if I might be permitted I would like to suggest to the Hon. Member that he examine very closely the kind of program proposals contained in the legislation that has just been passed by this House under the responsibility of my colleague, the Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion which do set out a number of special programs by which communities like Port Alberni can develop special assistance programs for industrial development. In the meantime, the labour adjustment part of ILAP will be continuing to provide for the ability of workers in communities such as Port Alberni, to maintain and develop new job alternatives, retraining programs and others.

It is with the new program, under the new industrial regional development system that has been established by the passage of the Bill, that I think we will be able to provide particularly effective targeting assistance for communities that have gone through the kind of difficulties that Port Alberni has experienced.

[*Translation*]

HEALTH

INQUIRY RESPECTING POSSIBLE BUDGETING RESTRICTIONS ON SERVICES FOR ELDERLY IN PROVINCE OF QUEBEC

Mr. Jean-Guy Dubois (Lotbinière): Madam Speaker, my question is directed to the Minister of National Health and Welfare. Considering the fact that the Minister's Department does a great deal for senior citizens and in view of the statement made in France by the Premier of Quebec, a statement that appeared in a magazine, *Le nouvel observateur*, and was broadcast on the Radio-Canada news, namely, that the next referendum would be won if more than 100,000 senior citizens were no longer with us, I should like to know whether the Minister of National Health and Welfare, in view of this sensational and disgraceful statement by the Premier of Quebec, could make some enquiries and provide statistics going back to 1980, to find out whether there have been budget cuts affecting staff and services in senior citizens' homes in Quebec.

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, if I am not mistaken, the Hon. Member is actually directing his question to the Premier of Quebec and making him pay for his past sins, because of that unfortunate remark concerning 100,000 senior citizesn. These people who were already senior citizens three years ago would supposedly no longer be with us at the next referendum. Well, this means there will never be another referendum, since the Premier seems to have forgotten that the life expectancy of Quebecers at birth has increased steadily, and therefore these 100,000 senior citizens are going to haunt him for the rest of his days.

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[*English*]

LABOUR CONDITIONS

INCREASE IN STUDENT UNEMPLOYMENT

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, my question is for the Prime Minister. Last night the Prime Minister agonized about how to handle prosperity while millions of unemployed Canadians were agonizing about how to buy food and pay the rent. I would like to ask the Prime Minister about unemployed students.

In the Kingston area there are 1,500 more students unemployed this month than last month, 1,000 more than were unemployed last year. What is happening in Kingston happens in every community across the country. Student unemployment is up 30 per cent this year. Since the Prime Minister was able to commandeer the airwaves to talk about 6 per cent and 5 per cent, why did he not use some of that time to talk about the enormous increase, the 30 per cent increase, in student unemployment, and to put forward proposals to alleviate that grave situation?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, last fall I remember the Opposition complaining bitterly that I had "commandeered the airwaves", to use the Hon. Member's phrase, for three nights in a row. Now she is suggesting that last night my statement was not long enough and that I should take to the airwaves another time in order to deal with another problem.

Some Hon. Members: Oh, oh!

Mr. Trudeau: I obviously could not in 15 minutes cover everything that the Government is doing and will want to do, including creating jobs for young people. More than $1 billion this year is being spent in order to create jobs for young people. As I said last night, of 63,000 jobs created in May more than half of them are for young people, those under the age of 25. But I could not put everything in the same speech, Madam Speaker.

Mr. McGrath: How about making a speech in the House?

Mr. Trudeau: I will be happy to go to the CBC with the Hon. Member's suggestion that I have another couple of evenings so I can cover all these subjects too.

GOVERNMENT POSITION

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I have a supplementary question for the Prime Minister. Had the Prime Minister utilized the television facilities of the House of Commons he would have been able to speak for much longer than that, and deal with some of the country's very critical issues.

Some Hon. Members: Hear, hear!

Miss MacDonald: But obviously he wanted to ignore, and still wants to ignore—

Madam Speaker: Order, please. I have again reminded Hon. Members today that they need not comment on answers but that they should simply ask a question. I would urge the Hon. Member for Kingston and the Islands to ask a question.

Miss MacDonald: Madam Speaker, I would like to ask the Prime Minister about the 30 per cent increase in unemployment among young people. I am speaking about the students in this country who are without jobs, without unemployment insurance, without income, and who do not have the money to get back to school in the fall. The Prime Minister is jeopardizing their future. Does he consider that they are beneath the concern of the Government to deal with when he talks on national television, or will he put forward proposals that will meet this very grave situation?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, how can the Hon. Member truthfully say that these young unemployed are "beneath" our concern, to quote her again.

Miss MacDonald: Don't you realize the increase?

An Hon. Member: Listen and learn.

Mr. Trudeau: We have budgeted more than $1 billion in order to create jobs for young people.

As to using the time of the House on television, the Hon. Member and her colleagues are giving the answer. There is no way in this House that you can give a message of hope and a positive message to Canadians without the group opposite—both groups opposite—trying to say how terrible things are and will continue to be in Canada. That is the reason. The people of Canada do not want to hear only negativism. That is why half the time spent in this House of Commons is wasted on the people of Canada.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: It is the democratic way, Pierre.

* * *

• (1450)

HOUSE OF COMMONS

REQUEST FOR ANNOUNCEMENT OF CENTRAL NOVA BY-ELECTION DATE

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, my question is directed to the Prime Minister. On November 1, 1948, in order to accommodate the leader of the Progressive Conservative Party of Canada, a riding was vacated; the Prime Minister directed the warrant be issued to the Chief Electoral Officer the same day; and the writ was issued the following day, November 2.

I provided the Acting Prime Minister yesterday with the Stanfield precedent in September, 1967, which saw the lapse of only one day between the vacancy and the calling of the election. In accordance with the practices and customs of this place, could he now announce the date of the by-election in Central Nova to accommodate the election of the Leader of the Progressive Conservative Party of Canada, Mr. Mulroney?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I attempted to deal with that question earlier this week when I indicated that I expected to bring the matter to Cabinet this week, or next. I will bring it to Cabinet tomorrow and, if a decision is made, I will make the announcement at the next sitting of this House.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Nielsen: It is understandable to hear the howls of glee from the back benches of the Government Party; they really do not appreciate the practices and traditions of the House of Commons.

CITING OF PRECEDENTS

Hon. Erik Nielsen (Leader of the Opposition): Madam Speaker, when the Prime Minister is considering doing the proper thing, will he also have regard, in addition to the precedents I have already cited, to December 27, 1921, when the resignation of the Hon. Member for Grenville, Ontario caused a vacancy? Again the warrant was issued on the same day as the declaration of the vacancy, and the writ was also issued on the same day, December 27, 1921?

Perhaps, if he is not convinced by that precedent, he might have regard to the most recent one of July 2, 1981, when the then Hon. Member for Spadina, Mr. Stollery, was appointed to the Senate. On July 2 that seat was declared vacant; on July 2, the same day, the Prime Minister caused the warrant to be issued; and on July 3, the very next day, the writ calling the election was issued. Will the Prime Minister cease this game of chicken, abide by the practices established in this place, and announce the by-election today or, at the very latest, tomorrow?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I said from the outset that we hoped a chance would be given to the new Leader of the New Democratic Party to take a seat in this House—

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: You are thinking of the wrong convention.

Mr. Nielsen: Don't anticipate.

Mr. Wilson: You know something we don't know?

Madam Speaker: Order, please.

Mr. Trudeau: Madam Speaker, those two Parties opposite are so united in their negativism that I confuse them sometimes. But I did say that we hoped an occasion would be given to the new Leader of the Conservative Party to contest a seat in this place very soon, and that is still my intention. Perhaps the Hon. Member for Yukon wants to hold me to a matter of days. I tell him that we began from opposite points of view in this matter. We on this side were rather happy with the present Leader of the Conservative Party; apparently he is anxious to ditch his job and go on to better things. We will try to accommodate him as soon as possible. I am sure everyone in the House will share his view that he should leave very soon.

* * *

PENITENTIARIES

UNIVERSITY COURSES FOR INMATES—STUDY INTO PAYMENT OF FEES

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, I have a question for the Solicitor General. He knows that we are very concerned to see post-secondary programs in Canadian penitentiaries being continued, programs which have been more successful than any other the Department has tried.

Would the Minister tell us the results of a study he commissioned by the Bureau of Management Consulting on the feasibility of charging fees to inmates of penitentiaries? Will he now admit that this is not a realistic option, that inmates will not go into debt to take courses, the value of which they cannot possibly appreciate until they have in fact been rehabilitated?

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, as a matter of fact the Bureau of Management Consulting has not completed its work, but it has told me something which I guess would surprise the Hon. Member, that in a survey it did of inmates participating in the program in British Columbia, over 70 per cent said that they would be prepared to borrow a reasonable amount of money to permit those courses to be continued. I do not have the final results of that study, but I will make them public as soon as I do.

I have indicated—and I am glad to have the opportunity to repeat it in this place—that those courses will be continued in the meanwhile. I have instructed the Correctional Service of Canada to continue the university courses as it has in the past until a loan program could be worked out. I have more faith in the willingness of the inmates to participate in the program on the basis I suggested than does the Hon. Member.

Ms. McDonald: We have heard about hope; now we are hearing about faith.

REHABILITATIVE PROGRAMS

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, I wonder whether the Minister would concede that of these same inmates, the majority of whom said would be willing to pay for programs, a majority said that they would not have been willing to pay at the time the course started; that this improvement in motivation only occurs after being in the program; and that in the study there was no canvassing of inmates who had not taken programs and who are, after all, the population we would like to see involved? Would the Minister comment on the whole principle of rehabilitation? We do have hope to offer, there are possibilities, but penitentiary inmates are not the same as university students outside. Would he not agree that we have to get them into programs—

Madam Speaker: Order, please.

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, I am very proud of the rehabilitative programs available in the Correctional Service of Canada. I believe that they bear favourable comparison with any programs in this country, in any provincial institution, or in any State of the United States.

Canadians invest a fortune in the rehabilitation of inmates in the correctional system of the country which is maintained within my Ministry. I do not think they take a second place to any. The university programs are good ones. We found a way to continue them. I do not see any reason why a person who has been convicted of an offence should be given a program which free Canadians outside institutions have to pay as much as they do in society now to receive. I do not think it is a bit unreasonable to ask inmates to put their credit, as do free students, behind their own university education.

* * *

EMPLOYMENT

YOUTH INTERNSHIP PROGRAM

Mr. Albert Cooper (Peace River): Madam Speaker, my question is directed to the Minister of Employment and Immigration. He will know that in the April budget the Youth Internship Program was announced, but here we are several months later and we still do not have any program; in fact we do not have any details. When can we expect some kind of information on this program?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, as I have explained several times in the House, the program is scheduled to start in September. The reason for the three-month interval was to put the program administration into place so that its implementation could be brought forward without any hitches or difficulties. Because the program in particular is aimed toward working with the private sector to provide an opportunity to help young people obtain employment and on the job experience, we want to ensure proper preparation. Rather than doing as the Hon. Member would suggest, running it in a hasty way, we are prepared to do it in a careful and cautious way to ensure that the program works.

Mr. Cooper: We seem to be having big announcements with big money, but no action. It is now three months later and nothing has happened.

MAKING OF ANNOUNCEMENTS

Mr. Albert Cooper (Peace River): Madam Speaker, the question remains that if we want to find out what programs will be announced, do we now check the CBC booking sheets?

• (1500)

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I would hope that because of the importance that this Government places upon the ability to provide employment programs for all Canadians, our public network, along with others, would pay proper attention to the important programs we are providing as a contribution to job creation in this country.

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the petitions, with the exception of two, presented by Hon. Members on Tuesday, June 28, 1983, meet the requirements of the Standing Orders as to form. The petition presented by the Hon. Member for Kamloops-Shuswap (Mr. Riis) and the petition presented by the Hon. Member for Leeds-Grenville (Mrs. Cossitt) do not meet the requirements of the Standing Orders as to form.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF NEWFOUNDLAND

Madam Speaker: I announced the other day that some objections filed for the Province of Newfoundland have been filed late. I suggested to the House that, if it were to give its unanimous consent, we would consider that they could be accepted. Does the House give its unanimous consent to the filing of the objections from the Province of Newfoundland?

Some Hon. Members: Agreed.

Madam Speaker: It is agreed and so ordered.

It is my duty to inform the House that objections signed by the Hon. Members for Grand Falls-White Bay-Labrador (Mr. Rompkey), Don Valley East (Mr. Smith), York Centre (Mr. Kaplan), Mississauga North (Mr. Fisher), Scarborough West (Mr. Weatherhead), Gatineau (Mr. Cousineau), Burin-St. Georges (Mr. Simmons), Laurier (Mr. Berger), Willowdale (Mr. Peterson) and Sudbury (Mr. Frith) have been filed with me.

I also have objections filed with me by the Hon. Members for Skeena (Mr. Fulton), Regina East (Mr. de Jong), Winnipeg-St. James (Mr. Keeper), Kootenay-West (Mr. Kristiansen), The Battlefords-Meadow Lake (Mr. Anguish), Humboldt-Lake Centre (Mr. Althouse), Spadina (Mr. Heap), Broadview-Greenwood (Ms. McDonald), Saskatoon East (Mr. Ogle) and Nanaimo-Alberni (Mr. Miller).

[*Translation*]

FILING OF OBJECTION TO REPORT OF COMMISSION FOR PROVINCE OF QUEBEC

Madam Speaker: It is my duty to inform the House that an objection signed by the Hon. Members for Terrebonne (Mr. Comtois), Joliette (Mr. La Salle), Labelle (Mr. Dupras), Dollard (Mr. Desmarais), La Prairie (Mr. Deniger), Pontiac-Gatineau-Labelle (Mr. Lefebvre), Chicoutimi (Mr. Dionne), Saint-Denis (Mr. Prud'homme), Lévis (Mr. Gourde) and Montreal-Sainte-Marie (Mr. Malépart), has been filed with the Chair pursuant to Section 20 of the Electoral Boundaries Readjustment Act, Chapter E-2, R.S.C., 1970, to the Report of the Electoral Boundaries Commission for the Province of Quebec.

If the House agrees, I would suggest we follow past practice and print the text of the objection as an appendix to this day's *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS—PRESENTATION OF NINTH REPORT OF SUBCOMMITTEE

Mrs. Céline Hervieux-Payette (Montreal-Mercier): Madam Speaker, I have the honour of tabling the Ninth Report of the Subcommittee on Computer Crime, of the Standing Committee on Justice and Legal Affairs.

COMMUNICATIONS AND CULTURE—PRESENTATION OF THIRD REPORT OF STANDING COMMITTEE

Mr. Robert Gourd (Argenteuil-Papineau): Madam Speaker, I have the honour of tabling, in both official languages, the Third Report of the Standing Committee on Communications and Culture.

AGRICULTURE—PRESENTATION OF TENTH REPORT OF STANDING COMMITTEE

Mrs. Éva Côté (Rimouski-Témiscouata): Madam Speaker, I have the honour of tabling, in both official languages, the Tenth Report of the Standing Committee on Agriculture.

[*English*]

TRANSPORT—PRESENTATION OF FIFTEENTH AND SIXTEENTH REPORTS OF STANDING COMMITTEE

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, I have the honour to present the fifteenth and sixteenth reports of the Standing Committee on Transport. If the House gives its consent, I intend to move concurrence in the sixteenth report later this day.

[*Editor's Note: For above reports, see today's Votes and Proceedings.*]

PENITENTIARIES

TABLING OF 1981-82 ANNUAL REPORT OF CORRECTIONAL INVESTIGATOR

Hon. Bob Kaplan (Solicitor General of Canada): Madam Speaker, pursuant to Standing Order 46(2), I would like to table, in both official languages, the Annual Report of the Correctional Investigator which covers the period June 1, 1981, to May 31, 1982.

* * *

[*Translation*]

STATUS OF WOMEN

TABLING OF ANNUAL REPORT OF CANADIAN ADVISORY COUNCIL

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, I wish to lay on the table a copy, in both official languages, of the annual report of the Canadian Advisory Council on the Status of Women.

[*English*]

At the same time, Madam Speaker, in conjunction with discussions that I have held with the members of the Special Committee on Standing Orders and Procedure recommending that all terms of reference under which parliamentary standing committees, special committees and sub-committees operate, address and provide for status of women considerations, I am tabling the research documents prepared by the Council as outlined in the Annual Report.

Hearings on the estimates have already given Members of this House an opportunity to examine the mandate and budget of the CACSW and members of several other House committees have had the benefit of the expert advice provided to their committees through Council members and their reports on such issues as prostitution, native women's rights and pensions.

It is my hope that the Standing Committee on Health, Welfare and Social Affairs will take advantage of this reference to examine the Council's reports on reproductive hazards at work, better day care for Canadians, and the study of sex equality in Canadian sport, and their associated recommendations.

Likewise, the Standing Committee on Labour, Manpower and Immigration will now have the opportunity to examine the issues outlined in "A Working Majority: What Women Must do for Pay"—

Madam Speaker: Order. The Hon. Minister is going far beyond what we can accept.

WAYS AND MEANS

TABLING OF NOTICE

Hon. Paul J. Cosgrove (Minister of State (Finance)): Madam Speaker, pursuant to Standing Order 64(1), I wish to table in both official languages a notice of Ways and Means motion to apply the Customs and Excise jurisdiction of Canada to the continental shelf of Canada, and to amend certain Acts in relation thereto or in consequence thereof.

* * *

WOMEN

TABLING OF FIRST REPORT TO UNITED NATIONS RESPECTING ELIMINATION OF DISCRIMINATION

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, it is my pleasure on behalf of the Secretary of State (Mr. Joyal) to table the publication of Canada's first report to the United Nations under the terms of the convention on the elimination of all forms of discrimination against women.

* * *

PETITIONS

MR. MITGES—ASSISTANCE FOR DRYDOCK AT COLLINGWOOD, ONT.

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I have the honour to present a petition signed by 1,575 people in the Georgian Triangle area of Collingwood, Ontario, in the riding of Grey-Simcoe, who have expressed their desire for the construction of a 400-metre drydock at the Collingwood shipyard, assistance for which has been long promised by both the federal and Ontario Governments. They hope the two Governments will at long last get together to make this drydock a reality, not only for the construction of larger ships but as well to drastically increase ship repair facilities, with the additional jobs that will be created.

MR. PATTERSON—CODE OF ETHICS FOR PUBLIC BROADCASTING

Mr. Alex Patterson (Fraser Valley East): Madam Speaker, I have the duty to present a petition on behalf of a number of my constituents in the riding of Fraser Valley East. The purpose of the petition, signed by members of the Clayburn Women's Institute in Clayburn, B.C., is to register their opposition to the adult erotic entertainment being planned by First Choice Pay-TV on the grounds that such programs are an assault on human dignity and a violation of generally accepted standards of decency. Permitting such telecasting results in the demeaning of women, in the degrading of man and the destruction in children of a wholesome and responsible attitude to the human sexual expression. They have included in their vigorous opposition Red Hot Video stores and similar establishments that are licensed sources of pornography.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to insist that public broadcasting be required to observe a code of ethics that will enhance the highest level of ethical and moral standards and that licensed public retail outlets will be required to promote the highest rather than the lowest levels of morality and human decency.

MR. MILLER—NUCLEAR WEAPONS

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, it is my pleasure and duty to present a petition on behalf of 222 grade nine students at John Barsby Secondary School. The undersigned humbly sheweth that they demand that Canada urge an international treaty to be signed promising never to be the first one to fire a nuclear weapon on another country; that Canada call for a nuclear free zone between all nations; that Canada never help develop nuclear weapons; and that Canada lead the way in turning the world into a nuclear free zone.

• (1510)

TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have the honour today to present a petition to the House signed by some 512 people mainly from the Battlefords area. The petition was originated by the Battlefords Association for Nuclear Disarmament.

The petition of the undersigned residents of Canada, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that testing of the Cruise missile in Canada escalates the nuclear arms race and is therefore a serious threat to world peace.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to disallow the testing of the Cruise missile on any Canadian soil; and as in duty bound your petitioners ever pray.

Mr. Simon de Jong (Regina East): Madam Speaker, I also have the duty and indeed the pleasure to present this petition signed by some 50 or 60 constituents of Regina East concerning the testing of the Cruise missile. The undersigned petitioners are now exercising their right to present their grievance that the proposed testing of the American Cruise missile at the Primrose Air Weapons Range sets a dangerous precedent jeopardizing both our Saskatchewan environment and the prospects of world peace.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to cancel immediately Cruise missile testing negotiations with the United States.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I have the honour to present another petition today which is similar to the first petition I presented but is from another area. It is from a group of residents who are concerned about nuclear disarmament and the Cruise missile in the area of Lloydminster. The undersigned residents of Canada, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your Honourable House will therefore provide a remedy, humbly sheweth that testing of the Cruise missile in Canada escalates the nuclear arms race and is therefore a serious threat to world peace.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to disallow the testing of the Cruise missile on any Canadian soil; and as in duty bound your petitioners ever pray.

MR. MILLER—EXTENSION OF UIC BENEFITS

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, it is my duty and pleasure to present another petition today. This one is from unemployed workers in Port Alberni. The undersigned residents of Port Alberni in the Province of British Columbia do now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, and humbly sheweth that whereas massive lay-offs in the country are creating hundreds of thousands of unemployed workers; whereas these workers are unemployed through no fault of their own; and whereas the federal Government has failed to protect existing jobs; we the undersigned hereby demand that Unemployment Insurance benefits be extended to cover the full term of unemployment, and Unemployment Insurance benefits be increased to 90 per cent of insurable earnings.

MR. DE JONG—RETENTION OF CROWSNEST PASS RATE

Mr. Simon de Jong (Regina East): Madam Speaker, I have also received a petition signed by farmers and some ranchers who live in the Swift Current-Maple Creek area. They are concerned with the proposed changes to the statutory Crow rate. The undersigned residents of the Province of Saskatchewan do now avail themselves of their ancient and undoubted right thus to present a grievance to the House of Commons, and that grievance is, Madam Speaker, that the Crow rate is non-negotiable.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to maintain the present statutory Crow rate; and as in duty bound your petitioners will ever pray.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

CHANGE IN NAME OF CONSTITUENCY FROM VAUDREUIL TO VAUDREUIL-SOULANGES-WEST ISLAND OF MONTREAL-ÎLE OUEST DE MONTRÉAL

Madam Speaker: Is there unanimous consent for the Hon. Member for Vaudreuil (Mr. Herbert) to introduce his Bill?

Some Hon. Members: Agreed.

Mr. Hal Herbert (Vaudreuil) moved for leave to introduce Bill C-689, an Act to change the name of the electoral district of Vaudreuil.

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

* * *

COMBINES INVESTIGATION ACT

AMENDMENT RESPECTING SPORTS FRANCHISES

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, in the same way, I would like to ask for unanimous consent of the House to present my Bill.

Madam Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Hnatyshyn moved for leave to introduce Bill C-690, an Act to amend the Combines Investigation Act (sports franchises).

He said: Madam Speaker, I have the honour to introduce a Bill today that would amend the Combines Investigation Act. The House will recall that on May 19, 1983, upon my suggestion, the Minister of Consumer and Corporate Affairs (Mr. Ouellet) instigated an investigation under the Combines Investigation Act of the refusal of the NHL board of governors to transfer the St. Louis Blues to Saskatoon. As a result, the Restricted Trade Practices Commission will hold a hearing on July 12, 1983.

I have had some concerns about the strength of the Combines Investigation Act and its application to the granting, transfer and operation of sport franchises. These subjects have been specifically excluded from the freedom of trade section in the Act. This Bill would correct that problem and thus would hopefully ensure that a professional sports league could not unreasonably restrict the transfer of a franchise, particularly when it is contrary to our national interests.

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

* * *

FINANCE, TRADE AND ECONOMIC AFFAIRS

REFERENCE TO STANDING COMMITTEE RESPECTING TAXATION OF SMALL BUSINESSES

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I have three motions about which discussions have taken place with the other Parties in the House and I believe there is unanimous consent to deal with these without debate.

The first relates to small business taxation. It is an order of reference.

Motions

Ordered—That the Standing Committee on Finance, Trade and Economic Affairs be empowered to review the taxation of small businesses and that the Committee be empowered for this purpose to engage the necessary expert staff to assist in its work.

That it be an instruction to the Committee that it appoint a subcommittee to consider the aforementioned matter and that the subcommittee and members of the subcommittee have the power to adjourn from place to place inside Canada for a period of two weeks and to travel outside Canada for a period of one week; and that this travel be only on days when the House is not sitting.

Motion agreed to.

REFERENCE TO STANDING COMMITTEE RESPECTING STATUS OF FOREIGN BANK SUBSIDIARIES

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the next motion relates to the status of foreign bank subsidiaries and it is also an order of reference.

Ordered,—That the Standing Committee on Finance, Trade and Economic Affairs be empowered to review the report to Parliament dated May 31, 1983, prepared by the Inspector General of Banks and entitled "The Status of Foreign Bank Subsidiaries" and to include in its report the Committee's views as to whether or not conditions have changed sufficiently since the present Bank Act came into effect to warrant an increase in the eight per cent ceiling specified in subsection 302(7) of the Bank Act and, if appropriate, the extent of the increase proposed.

That the Committee be empowered for this purpose to engage the necessary expert staff to assist in its work.

Motion agreed to.

REFERENCE TO STANDING COMMITTEE OF WAYS AND MEANS MOTIONS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I also have a motion which relates to Ways and Means motions and is an order of reference.

Ordered—That the Ways and Means motion to amend the Income Tax Act and the Income Tax Application Rules, 1971, tabled in the House on April 19, 1983, be referred to the Standing Committee on Finance, Trade and Economic Affairs, and that the Committee shall report its findings not later than September 30, 1983; provided that, if the House is not sitting when the report has been completed, the report may be deposited with the Clerk of the House and shall thereupon be deemed to have been laid upon the Table.

Motion agreed to.

* * *

• (1520)

TRANSPORT

CONCURRENCE IN SIXTEENTH REPORT OF STANDING COMMITTEE

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, I should like to move that the sixteenth

report of the Standing Committee on Transport, presented earlier this day, be concurred in.

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. 4,706, 4,708, 4,749, 4,834, 4,835, 4,842, 4,843, 4,901, 4,915, 4,919, 4,945 and 4,951.

[*Text*]

BOARD MEETINGS OF VARIOUS CORPORATIONS

Question No. 4,706—Mr. Munro (Esquimalt-Saanich):

1. On what date did the Board of Directors of (a) Aquilla Holdings Ltd. (b) Arctic Islands Resources Ltd. (c) Asher American, Inc. (d) Big Eagle Oil and Gas Ltd. (e) Cal-Jet Holdings Ltd. (f) Canertech Ltd. (g) Commodore Oils Ltd. (h) Fifth Pacific Stations Ltd. (i) G.M.I. Co. (Bahamas) Ltd. (j) Merit Oil Co. Ltd. (k) Opal Oils Ltd. (l) Pacific Petrochemicals Ltd. (m) Pacific Petroleums Espanola, S.A. (n) Pacific Petroleums, Inc. (o) Pacific Petroleums (Overseas) Ltd. (p) Pacific Pipelines, Inc. (q) Pay-N-Save Gas Stations Ltd. (r) Petro-Canada Consulting Corporation (s) Petro-Canada Exploration Inc. (t) Petro-Canada International Inc. (u) Petro-Canada Norway A/S (v) Petro-Canada Petroleum Inc. (w) Petro-Canada Products Inc. (x) Petro-Canada Resources Inc. (y) Petro-Canada (U.K.) Ltd. (z) Petrofina Canada Inc. (aa) Petroleum Transmission Company (bb) Petron Petroleum Ltd. (cc) Rocair Ltd. (dd) Tri-Mountain Petroleums Ltd. (ee) Value Serve Stations Ltd. (ff) Venezuelan Canadian Oils, C.A. (gg) Venezuelan Pacific Petroleums, C.A. last meet to discuss the financial affairs of the Corporation?

2. Did any of the Boards of Directors of the Crown Corporations in part 1 not meet in the past eight years and, if so, for what reason?

Mr. Dave Dingwall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Petro-Canada reports as follows:

1.

	Company	Date of last Board meeting
(a)	Aquilla Holdings Ltd.	June 30, 1982
(b)	Arctic Islands Resources Ltd.	June 30, 1982
(c)	Asher American Inc.	June 30, 1982
(d)	Big Eagle Oil & Gas Ltd.	June 10, 1982
(e)	Cal-Jet Holdings Ltd.	July 26, 1982
(f)	Canertech Inc.	November 24, 1982
(g)	Commodore Oils Ltd.	June 30, 1982
(h)	Fifth Pacific Stations Ltd.	June 30, 1982
(i)	G.M.I. Co. (Bahamas) Ltd.	Information is not available because records are kept outside of Canada.
(j)	Merit Oil Co. Ltd.	Since October 1, 1981 has not been an interest of Petro-Canada's.
(k)	Opal Oils Ltd.	June 30, 1982
(l)	Pacific Petrochemicals Ltd.	June 30, 1982
(m)	Petro-Canada Espanola, S.A. (Name was changed from Pacific Petroleums Espanola, S.A. on June 17, 1981.)	September 10, 1982
(n)	Pacific Petroleums, Inc.	Since April 8, 1982 has not been an interest of Petro-Canada's.
(o)	Pacific Petroleums (Overseas) Ltd.	Information is not available because records are kept outside of Canada.
(p)	Pacific Pipelines Inc.	June 30, 1982
(q)	Pay-N-Save Gas Stations Ltd.	Incorporated into Petro-Canada on October 5, 1981.
(r)	Petro-Canada Consulting Corp.	October 27, 1982
(s)	Petro-Canada Exploration Inc.	December 14, 1982
(t)	Petro-Canada International Assistance Corporation (Name was changed from Petro-Canada International Inc. on November 9, 1981.)	January, 1983
(u)	Petro-Canada Norway A/S	Information is not available because records are kept outside of Canada.
(v)	Petro-Canada Petroleum Inc.	June 30, 1982
(w)	Petro-Canada Products Ltd.	October 25, 1982
(x)	Petro-Canada Resources Inc.	July 7, 1982
(y)	Petro-Canada (U.K.) Ltd.	December 29, 1982
(z)	Petro-Canada Enterprises Inc. (Name was changed from Petrofina Canada Inc. on September 1, 1981.)	October 25, 1982
(aa)	Petroleum Transmission Company	June 7, 1982
(bb)	Petron Petroleum Ltd.	June 30, 1982
(cc)	Rocair Limited	May 3, 1982
(dd)	Tri-Mountain Petroleums Ltd.	June 7, 1982
(ee)	Value Service Stations Ltd.	June 30, 1982
(ff)	Venezuelan Canadian Oils, C.A.	Not active.
(gg)	Venezuelan Pacific Petroleums, C.A.	Not active.

2. See reply to part 1.

BOARDS OF DIRECTORS OF VARIOUS CORPORATIONS

Question No. 4,708—Mr. Munro (Esquimalt-Saanich):

Who sits on the Board of Directors of each of the Crown corporations listed in question no. 4,706 of February 4, 1983?

Mr. Dave Dingwall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Petro-Canada reports as follows:

	Company	Board of Directors
(a)	Aquilla Holdings Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(b)	Arctic Islands Resources Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(c)	Asher American Inc.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(d)	Big Eagle Oil & Gas Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien

(e)	Cal-Jet Holdings Ltd.	Graham Fraser Glenn Sundstrom
(f)	Canertech Inc.	Wilbert H. Hopper David P. O'Brien Lorne Dyke
(g)	Commodore Oils Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(h)	Fifth Pacific Stations Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(i)	G.M.I. Co. (Bahamas) Ltd.	Information is not available because records are kept outside of Canada.
(j)	Merit Oil Co. Ltd.	Information is unknown to Petro-Canada.
(k)	Opal Oils Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(l)	Pacific Petrochemicals Ltd.	Wilbert H. Hopper Edward M. Lakusta William A. West David P. O'Brien
(m)	Petro-Canada Espanola, S.A.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien Manuel Fillol Ciorraga
(n)	Pacific Petroleums, Inc.	Information is unknown to Petro-Canada.
(o)	Pacific Petroleums (Overseas) Ltd.	Information is not available because records are kept outside of Canada.
(p)	Pacific Pipelines Inc.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(q)	Pay-N-Save Gas Stations Ltd.	Incorporated into Petro-Canada on October 5, 1981.
(r)	Petro-Canada Consulting Corp.	Wilbert H. Hopper Edward M. Lakusta Sam Stewart
(s)	Petro-Canada Exploration Inc.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien Sam Stewart
(t)	Petro-Canada International Assistance Corporation	Peter M. Towe Wilbert H. Hopper George W. Tough William J. Jenkins Frederick G. Rayer
(u)	Petro-Canada Norway A/S	Information is not available because records are kept outside of Canada.
(v)	Petro-Canada Petroleum Inc.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien James M. Stanford
(w)	Petro-Canada Products Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien William A. West
(x)	Petro-Canada Resources Inc.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(y)	Petro-Canada (U.K.) Ltd.	Wilbert H. Hopper Michael C. Johns David Dixon David P. O'Brien
(z)	Petro-Canada Enterprises Inc.	Wilbert H. Hopper Jean-Claude Hebert Edward M. Lakusta David P. O'Brien David McD. Mann Jean-Pierre Amory J. Van Vytvanck Baron D. Snoy
(aa)	Petroleum Transmission Co.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien Sam Stewart
(bb)	Petron Petroleum Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(cc)	Rocair Ltd.	Sam Stewart David P. O'Brien Muriel Rhynes
(dd)	Tri-Mountain Petroleums Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien C. Francis Murphy
(ee)	Value Service Stations Ltd.	Wilbert H. Hopper Edward M. Lakusta David P. O'Brien
(ff)	Venezuelan Canadian Oils, C.A.	Not active
(gg)	Venezuelan Pacific Petroleums, C.A.	Not active

SALES TAX IN PUBLISHING INDUSTRY

Question No. 4,749—**Mr. Herbert:**

1. In 1982, what was the amount of the tax expenditure in sales tax foregone in the publishing industry?

2. What percentage of publications sold in Canada are considered to be foreign?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Finance and Statistics Canada as follows:

1. Sales tax revenues foregone by the exemptions in the Excise Tax Act for newspapers, magazines, and books is in the range of $260 million per annum.

2. Information for the year 1982 is not yet available, however for the year 1981, in terms of dollar value, 73.7 per cent of all books sold in Canada were imports.

Order Paper Questions

YUKON ADVISORY COUNCIL

Question No. 4,834—**Mr. Mazankowski:**

1. Is there a Northern Pipeline Agency Yukon Advisory Council and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the government?

2. (a) What are the terms of reference of the Council (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Council publish in the fiscal year 1982-83?

Mr. Jim Peterson (Parliamentary Secretary to Minister of State for Economic Development and Minister of State for Science and Technology): In so far as the Ministry of State for Economic Development is concerned:

1. The Yukon Advisory Council was established by the Governor in Council in February, 1979, and eight members were appointed for two year terms. In April, 1981, five of the original members were reappointed and two new members were appointed for two year terms. (a) Reappointments to the Council are proceeding at the present time. (b) (i) and (ii) see above. (c) Under its terms of reference, members of the Yukon Advisory Council shall be paid a fee of $125 per day for each day spent in attendance at meetings of the Council. The Chairman shall be paid $175 per day for each day spent in attendance; the Vice-Chairman shall be paid $150 per day. Members' travel expenses are also paid by the Agency. For the term of their respective appointments, previous members received the following remuneration, inclusive of travel, salary and incidental expenses:

Name	Background	Appointment Term	Remuneration
Clifford Geddes	Businessman & Member of the Yukon Water Board	February, 1979—April, 1983	$11,782
Raymond Jackson	Chief of Champagne/Aishihik Band	February, 1979—April, 1981	$ 7,216
Joanne Linzey	Active in community affairs	February, 1979—April, 1981	$ 8,533
Wayne Palmer	Official of the Union Teamsters' Union	February, 1979—April, 1981	$ 3,599
Donald Roberts	Principal of Selkirk Street Elementary School in Whitehorse	February, 1979—April, 1983	$15,286
Dale Stokes	Businesswoman and active in women's organizations	February, 1979—April, 1983	$ 8,290
Robert Stubenberg	Local businessman	February, 1979—April, 1983	$11,660
Charles Taylor	Retired businessman; former Territorial Councillor	February, 1979—April, 1983	$ 8,343
Paul Birckel	Chief of Champagne/Aishihik Band; Member of Special ARBA Board for DREE	February, 1981—April, 1983	$ 2,531
Hector MacKenzie	Wilderness guide; Member & former treasurer of the Yukon Conservation Society	April, 1981—April, 1983	$ 4,258

(d) The NPA has provided the Council since its establishment with other funds totalling $12,949 for the provision of office supplies, secretarial assistance and administrative expenses in association with the duties of the Council. It should be noted that pursuant to Section 29 of the Northern Pipeline Act all expenses of the Agency are recoverable from Foothills Pipe Lines (Yukon) Ltd.

2. (a) The terms of reference of the Council are listed below.

(b) In fiscal year 1982-83, the Council considered issues related to: (i) status of Alaska Highway Gas Pipeline Project; (ii) proposed routing of pipeline through Yukon; and, (iii) socio-economic plans required under proposed terms and conditions.

(c) In fiscal year 1982-83, the Council met five times. The Council met less frequently in this fiscal year than previously as a result of the announced delay in the completion of the pipeline project. There is no requirement for the Council to meet a special number of times.

(d) The Council did not publish any reports or recommendations in 1982-83.

Order Respecting the Yukon Territory Advisory Council

Short Title

1. This Order may be cited as the Yukon Territory Advisory Council Order.

Establishment of Council

2. There is hereby established an advisory council to be called the Yukon Territory Advisory Council, hereinafter referred to as "the Council".

Terms of Reference

3. The Council shall, in accordance with such rules of procedure as it from time to time establishes, assist the Minister responsible for the Northern Pipeline Act by giving advice and providing recommendations to him in all areas related to the Yukon portion of the Alaska Highway Pipeline, including:

(a) ways to minimize any adverse social and environmental effects of the project and to maximize social and economic benefits including employment opportunities from the construction, operation and maintenance of the pipeline; and,

(b) advice on local and regional interests related to the pipeline and measures to facilitate effective consultation and communication with groups and communities affected by the pipeline.

Publication of Reports

4. In carrying out its activities within the terms of reference set out in Section (3), the Council may, from time to time,

publish reports of recommendations in such manner as it deems appropriate.

Remuneration

5. (1) Subject to Subsections (2) and (3), each member of the Council shall be paid a fee of $125 per day for each day spent in attendance of meetings of the Council.

(2) The Chairman of the Council shall be paid a fee of $175 per day for each day spent in attendance of meetings of the Council.

(3) The Vice-chairman of the Council shall be paid a fee of $150 per day for each day spent in attendance of meetings of the Council.

NORTHERN B.C. ADVISORY COUNCIL

Question No. 4,835—**Mr. Mazankowski:**

1. Is there a Northern B.C. Advisory Council and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the government?

2. (a) What are the terms of reference of the Council (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Council publish in the fiscal year 1982-83?

Mr. Jim Peterson (Parliamentary Secretary to Minister of State for Economic Development and Minister of State for Science and Technology): In so far as the Ministry of State for Economic Development is concerned:

1. The Northern B.C. Advisory Council was established in September, 1980 and members were appointed for two year terms. In November, 1982, seven of the ten members were reappointed and three new members were appointed for two year terms, effective September 27, 1982.

(a) Name	(b) Background	Term of Appointment
Donald Edwards	Businessman and Alderman	September, 1980 to present
Amy Gauthier	Member of native community; Band Councillor for Salteau Band	September, 1980 to present
Jack Hannam	Rancher and cattleman; Chairman of Peace River-Liard Regional District	September, 1980 to present
Leo Rutledge	Retired guide and outfitter; naturalist	September, 1980 to present
Eleanor Summer	Community worker; active in support of women's issues	September, 1980 to present
Jed Woolley	Local contractor	September, 1980 to present
Elizabeth Todrick	Businesswoman; active in community affairs	September, 1981 to present
Clifford Calliou	Active member of the United Native Nations	November, 1982 to present
Charles Pete	President of local United Natives Nations in Lower Post	November, 1982 to present
Sidney Cooper	Former Mayor of Dawson Creek	November, 1982 to present

(c) Each member of the Council will be paid a fee of $125 per day for each day spent in attendance at meetings of the Council. The Chairman (ie., Donald Edwards) shall be paid $175 per day for each day spent in attendance; the Vice-Chairman (Jack Hannam) shall be paid $150 per day. Members' travel and incidental expenses that are related to their official duties are also paid by the Agency.

From the time of their respective appointments, current members have received the following remuneration, inclusive of travel, salary and incidental expenses:

Edwards	$8,514	Woolley	$5,960
Gauthier	4,830	Todrick	2,802
Hannam	6,278	Calliou	—
Rutledge	8,414	Pete	—
Summer	9,705	Cooper	—

Previous members received the following remuneration, inclusive of travel, salary and incidental expenses:

Name	Appointment Term	Remuneration
Mel Burke	Sept. 1980—Nov. 1982	$10,012
George Miller	Sept. 1980—Jan. 1982	4,564
Jim Voight	Sept. 1980—Nov. 1982	13,522
Patrick Walsh	Sept. 1980—Sept. 1981	2,504

(d) The NPA has provided the Council with administrative funds totalling $38,732 for the provision of office space, supplies and secretarial assistance in connection with the duties of the Council. It should be noted that pursuant to Section 29 of the Northern Pipeline Act, all expenses of the Agency are recoverable from Foothills Pipelines (Yukon) Ltd.

2. (a) The terms of reference of the Council are listed below.

(b) In fiscal year 1982-83, the Council considered issues related to: (i) local business opportunities, (ii) manpower training, (iii) status of Alaska Highway Gas Pipeline, (iv) native opportunities, (v) community benefits.

(c) In 1982-83, the Council met on five occasions. The Council met less frequently in this fiscal year than previously as a result of the announced delay in the completion of the pipeline project. There is no requirement for the Council to meet a specified number of times.

(d) The Council did not publish any reports and/or recommendations in fiscal year 1982-83.

Order Respecting the Northern British Columbia Advisory Council

Short Title

1. This Order may be cited as the Northern British Columbia Advisory Council Order.

Order Paper Questions

Establishment of Council

2. There is hereby established an advisory council to be called the Northern British Columbia Advisory Council, hereinafter referred to as "the Council".

Terms of Reference

3. The Council shall, in accordance with such rules of procedure as it from time to time establishes, assist the Minister responsible for the Northern Pipeline in carrying out the objects of the Northern Pipeline Act by giving advice and providing recommendations to him in all matters related to the Northern British Columbia portion of the Alaska Highway Pipeline, including:

(a) advice on ways to minimize any adverse social and environmental effects of the project and to maximize social and economic benefits including employment opportunities from the construction, operation and maintenance of the pipeline; and,

(b) advice on local and regional interests related to the pipeline and measures to facilitate effective consultation and communication with groups and communities affected by the pipeline.

Publication of Reports

4. In carrying out its activities within the terms of reference set out in Section 3, the Council may, from time to time, publish reports of recommendations in such manner as it deems appropriate.

Remuneration

5. (1) Subject to Subsections (2) and (3), each member of the Council shall be paid a fee of $125 per day for each day spent in attendance of meetings of the Council.

(2) The Chairman of the Council shall be paid a fee of $175 per day for each day spent in attendance of meetings of the Council.

(3) The Vice-Chairman of the Council shall be paid a fee of $150 per day for each day spent in attendance of meetings of the Council.

RCMP—"J" DIVISION HEADQUARTERS

Question No. 4,842—**Mr. Howie:**

1. Were tenders called for the construction of a new divisional headquarters for J Division of the Royal Canadian Mounted Police in Fredericton, New Brunswick and, if not, on what date will tenders be called?

2. Will construction of the headquarters still begin in the fiscal year 1983-84?

Hon. Roméo LeBlanc (Minister of Public Works): 1. Tenders have not been called for "J" Division of the Royal Canadian Mounted Police in Fredericton. Tender call is scheduled for March 15, 1984.

2. Construction will not begin in the fiscal year 1983-84.

CANADIAN ARMED FORCES

Question No. 4,843—**Mr. Howie:**

By rank, how many men and women were serving in the regular force of the Canadian Armed Forces as of (a) April 1, 1982 (b) August 1, 1982 or the most recent month for which statistics are available?

Hon. J. Gilles Lamontagne (Minister of National Defence): Data for April 1 and August 1 are not readily available from the DND computer program and would have to be assembled manually. Therefore data in response to the question are given for March 31, 1982 and July 31, 1982 respectively in table below.

	(a) March 31, 1982		(b) July 31, 1982	
Rank	Male	Female	Male	Female
Gen	2		2	
LGen	9		9	
MGen	24		33	
BGen	75		84	
Col	327	3	342	3
LCol	940	7	1003	8
Maj	3018	50	3050	57
Capt	5713	376	5953	390
Lt	1544	166	1382	200
2Lt	710	94	815	75
OCDT	2127	250	2241	295
CWO	862	1	866	1
MWO	2240	5	2239	5
WO	4447	36	4519	39
SGT	9973	243	9917	264
MCpl	10688	514	10653	553
Cpl	12718	1638	12811	1681
Pte T	4450	751	4770	833
Pte B	13852	2366	14605	2361
Pte R	2340	209	949	10
Totals	76059	6709	76243	6775

DEFENCE INDUSTRY PRODUCTIVITY PROGRAM

Question No. 4,901—**Mr. Sargeant:**

Since the inception of the Defence Industry Productivity Program, which companies received assistance through the Program for the production of components for nuclear weapons systems and, in each case, how much assistance did the company receive and what components did it produce for which nuclear weapons system?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): In so far as the Department of Industry, Trade and Commerce is concerned: one company, Litton Systems Canada Ltd.,

$48,868,123, to produce guidance system components for the Cruise missile.

DIAND—CONTRACT WITH RYAN C. GOOGOO

Question No. 4,915—**Miss MacDonald:**

1. For the fiscal years 1978-79 to 1982-83, what was the total amount of salaries, expenses and other remuneration paid under contract with the Department of Indian Affairs and Northern Development to Ryan C. Googoo, former Chief of the Whycocomagh Indian Reserve in Nova Scotia?

2. Is Mr. Googoo now working under contract for the Department and, if so (a) what are the terms of his present contract (b) what salary, expenses or other remuneration is he receiving under the terms of the contract?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development):

1. 1978-79: none.
1979-80: none.
1980-81: none.
1981-82: $805.
1982-83: none.

2. No. (a) and (b) Not applicable.

NAC—CLOAKROOM

Question No. 4,919—**Mr. Herbert:**

1. Was a cloakroom open at the National Arts Centre in Ottawa on the evening of May 6, 1983 and, if not, for what reason?

2. Is it intended that patrons carry or wear their coats to a performance?

3. Was the price of a ticket on this evening $17.50?

4. What is the approximate daily revenue from the cloakroom when it is open?

5. Did the management of the Arts Centre apply to the Department of Employment and Immigration for a grant to provide employment for students as cloakroom attendants?

Hon. Francis Fox (Minister of Communications): I am informed by the National Arts Centre as follows:

1. The cloakroom at the National Arts Centre was not open on the evening of May 6, 1983 due to a lack of public demand attributable to favourable weather conditions.

2. Patrons choose whether or not to carry coats to a performance during the fall and winter months and no complaints have been received during the summer months when cloakroom service is not provided.

3. Ticket prices ranged from $10 to $17.50.

4. The average daily revenue of $75, when the cloakroom is open, barely covers the cost of service, whereas, during the period May 1-8 the average revenue was $16 when the cloakroom was open four nights because of weather conditions.

5. No.

Order Paper Questions

CUSTOMS DUTY ON TRUCK REFRIGERATION UNITS

Question No. 4,945—**Mr. McKenzie:**

1. Was the Minister of Industry, Trade and Commerce notified of the opposition by Canadian truckers to the imposition of 12 per cent duty on importation of heavy duty reefer units?

2. Will the Minister instruct the Machinery and Equipment Advisory Board to be discretionary in granting Canadian truckers remission of duty on importation of such units and, if not, will the Minister conduct an investigation to determine the effect upon the Canadian truckers of the 12 per cent duty?

3. Is the Minister aware of concern expressed by Canadian truckers with regard to after-sales service on heavy duty reefer units and, if so, will the Minister instruct the Board to ensure reliable and easily accessible after-sales service on such units?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): 1. Yes.

2. The Machinery and Equipment Advisory Board has examined carefully the capabilities of the new Canadian manufacturer of truck refrigeration units and is satisfied that it meets all requirements of the Machinery Program. The Board is monitoring the progress of the company in establishing itself in the marketplace. The trucking industry has been advised that quick action can be taken to re-establish duty remission, when appropriate, in the event that the Canadian manufacturer is not able to supply the demand placed upon it.

3. Yes. The Board is satisfied that the Canadian supplier has the capability to service these units. The company currently has service centres located in nine major cities across Canada.

LISTING OF CONSUL GENERAL IN BOSTON TELEPHONE DIRECTORY

Question No. 4,951—**Mr. Stewart:**

1. Was the Consul General for Canada listed in the Boston City Guide under "Visitors Information" as "Consulat General du Canada, 500 Boylston Street, 267-9330"?

2. Was the advertisement placed only in French in Boston, an English-speaking city, and, if so, for what reason was it not placed in English and French?

3. Who was responsible for placing the advertisement and under whose direction was it done?

4. What was the cost of placing the advertisement?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): It is correct that the Canadian Consultate General in Boston is listed in the Boston City Guide solely in the French language. However, the listing was done without any consultation with the Canadian Consultate General in Boston, and no payment was made by the Consulate General in connection with the listing. The listing was made solely by decision of the editor of the Boston City Guide who obtained the information from the French language listing of the Consultate General in the Boston Telephone Directory. (The Consultate General is listed in both English and French in the Boston Telephone Directory.) The Consultate General has advised the editor that its listing should be in both Canadian official languages and the editor has agreed that this will be done in future publications.

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if Question No. 4,814, could be made an order for return, this return would be tabled immediately.

[*Translation*]

Madam Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that question No. 4,814 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

CANADA COUNCIL ADVISORY ARTS PANEL

Question No. 4,814—**Mr. Mazankowski:**

1. Is there a Canada Council Advisory Arts Panel and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount has each member received (d) what other funding, if any, is provided by the Government?

2. (a) What are the terms of reference of the Panel (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Panel publish in the fiscal year 1982-83?

Return tabled.

[*English*]

Mr. Smith: I would ask, Madam Speaker, that the remaining questions be allowed to stand.

Mr. Taylor: Madam Speaker, I rise on a point of order. I wonder if the cup of joy has run over the Hon. Member yet and if he has been able to get me an answer to question No. 2,329 which was tabled on April 2, 1981.

Mr. Smith: Madam Speaker, my enthusiasm is as buoyant as ever. I regret I cannot advise the Hon. Member that I have received an answer from the Minister but I did advise him of the concern of the Hon. Member and press him for an answer to that question.

[*Translation*]

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

Some Hon. Members: Agreed.

* * *

[*English*]

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

[*Translation*]

Madam Speaker: Shall the Notices of Motions be allowed to stand?

Some Hon. Members: Agreed.

* * *

[*English*]

HOUSE OF COMMONS

TRIBUTES TO PAGES

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I rise on a point of order that I am sure will be accepted by all Members of the House. I think most of us anticipate that this will be the last day of this particular semester of this session.

During the course of this session we have been served by a number of young people in the House of Commons who have performed duties well beyond what was necessarily required of them. They have served us well and cheerfully. They have put up with us in those times when we were less than courteous. They have seen the House of Commons operate at its best and at its worst. I think it is fair to say that they have been a group of young people who have well represented other young people in Canada, both before the public who came to the House to view its operations and before the television public all across the country.

Therefore, Madam Speaker—

[*Translation*]

—on behalf of all the Members of this House, we should thank the pages for their good work.

[*English*]

Mr. Doug Lewis (Simcoe North): Madam Speaker, on behalf of the Official Opposition, I should like to associate this Party with the remarks of the House Leader for the New Democratic Party. We thank the pages who are in the House and ask that they carry our thanks to their colleagues. We wish them the best of luck in their future endeavours.

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, I want to join in the sentiments expressed by the House Leaders of the two Opposition Parties. Not only have these young people provided us with friendly, courteous service in the House, but in doing so they have had a unique opportunity to add to their education and their understanding of the operation of the parliamentary system beyond that which many people in the country attain.

I join my colleagues who have already spoken in congratulating them on their efforts, wishing them well in the coming summer and in the continuation of their studies and eventual careers.

Madam Speaker: I was going to mention the devotion of the pages at the sitting tomorrow but I get the impression that perhaps this is the last sitting. Unfortunately, the Chair always seems to be the last to know what is going on! I do not begrudge that as I love these little surprises.

In the name of all Hon. Members I want to thank the pages for the service they have given to the House of Commons and to each of us individually. We are always happy to see the new pages come but we are also very sorry to see the others leave as we become attached to them. We know they are going on to bigger and better things and we accept that as a fact of life. We certainly wish them well in all of their new endeavours.

[*Translation*]

On behalf of all the Members of this House, I would like to thank the pages for the excellent work they have done for the House of Commons and its Members, and I hope that the time they spent with us will have been worthwhile. I must say that we have followed their initiation to political life with affection and interest. There is no doubt that working as a page in the House of Commons is an altogether exceptional introduction to political life, to Parliament and to the game of political strategy that is inherent to all Parliaments. I trust that they were edified by what they saw and heard, and I am sure that they learned a great deal and will share their knowledge of politics with their fellow students at the universities where they will be going now.

We wish them every success with their future plans, and we are sorry to see them go. We like our pages very much and all Members always have a very special feeling for the pages in the House. We wish them every success in their careers, and we hope to see them back often, since the pages have made a habit of coming back to Ottawa from time to time to work a few hours in the House of Commons.

GOVERNMENT ORDERS

[*English*]

ATHLETIC CONTESTS AND EVENTS POOLS ACT

MEASURE TO PROVIDE GOVERNMENT OPERATED POOL SYSTEMS

The House resumed consideration of the motion of Mr. Lumley (for Mr. Joyal) that Bill C-165, to provide for financial assistance for industrial development in all regions of Canada, be read the third time and do pass.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, we have moved from a worthy subject to an unworthy subject, that being Bill C-95, an Act to provide for the Government to operate pools systems on combinations of athletic contests and events and to amend the Criminal Code. This would mean it would not be illegal for the Government to run the numbers racket and to change the Income Tax Act so that people who win—and also people who lose—will not be in violation of that Act. That is one of the interesting things about the Income Tax Act; if you win money you do not pay tax but if you lose money you cannot write it off.

I want to sum up the discussions that have been going on regarding this disgraceful Act. The first thing it does is establish another Crown corporation. That in itself is a disgraceful act because the record of Crown corporations established by the Government has been less than sterling.

• (1530)

I must admit that every time I see this Government establishing a new Crown corporation, I can see a brand-new bureaucracy being developed; a brand-new area wherein it can appoint its friends, and take care of them; a brand-new area in which to raise taxes in a sneaky way. And that is exactly what this is; it is a sneaky way to raise taxes. It is a disgraceful act because it is using very worth-while projects to raise money, almost to the extent of blackmailing these various organizations into encouraging Hon. Members of Parliament to pass the Act so that in fact they can receive some of the returns from this numbers racket which this Government is going to set up.

Another reason why this is a disgraceful act is the whole question of morality. The federal Government is getting back into gambling. This time it will say that it is not a lottery. The Minister of State for International Trade (Mr. Regan)—old "come fly with me"—tries to tell us that this is a game of skill, that people will have to sit down and think about that hockey game, baseball game, or whatever sport is involved. One must sit down and think very carefully about not only who is going to win that game, but what the exact score will be. The Minister says this is going to take a great deal of skill; therefore, this is not a lottery, it is not a numbers game, it is a skill game. I believe that kind of representation by the Minister is disgraceful.

The Minister also made some other statements. For example, on March 18, 1982, the day after my 42nd birthday, he made this outlandish statement: "It is important that funds become available soon so that the planning and preparation of facilities can begin". In other words, he was saying: "Look, if this lottery is not established, if this 'numbers racket' is not established, if we cannot get it underway, the XV Winter Olympics will not get underway". That in itself was extremely misleading. I must tell you, Mr. Speaker, that Bill C-95 is going to be a very unfortunate piece of legislation coming in these times. I believe we will all be sorry a year or two years down the road that this Bill was even brought into the House, let alone passed by the Liberal Government.

I would like to make some predictions. This corporation will turn into another Liberal patronage machine; there is no question about that. Canada's greatest athletic supporter sits there and shakes his head no, that is not true. He knows full well, however, that it will become another Liberal patronage machine, probably one of the greatest it has. It has started already. The Minister provided a list and it is obvious.

Dr. Martin O'Connell, a former Parliamentary Secretary to the Prime Minister, a former Minister of Labour, just a couple of years after he was defeated—and rightfully so—was given $3,500 regarding the definition of financing and accounting systems, but Howard and Associates were also paid $297,000 to do the same thing. Who is being kidded?

Goldfarb and Associates, a very well-known Liberal organization, were given $16,000 for research. The Minister will not even come clean with the committee or the House. He will not tell us what the research report said. He tells us what his interpretation of the research report is, but he will not produce it. He will not let us see the type of research which the taxpayers' money paid for. He will not show it to us. So we do not know if he is telling the truth or if he is dreaming up his own figures on this great boondoggle which he is bringing to the Canadian people.

My second prediction is that it will be a Crown corporation which will spend money unwisely, just like Loto Canada, which wasted hundreds of thousands of dollars on things which it should not have. It will spend money like it is not its own. It will spend money like it was handed to it and it does not have to account for it. We, in our involvement in the report stage and in committee, suggested that each year this particular Crown corporation should be audited by the Auditor General. Oh, no! The Government said no; it did not give us a reason why. It just said no, that it will appoint its own accounting company to take care of the books. Well, the Government appointed its own accounting company to take care of the books of Canadair and we all know what came out of that.

Let me predict what this Crown corporation will not do. It will not reach the predictions, those outlandish predictions which the Minister of State for International Trade has made about the net income of this corporation. It is just not going to happen. The competition today is much stiffer in the lottery field. It is much easier to buy a lottery ticket for $1, $5 or $10 and not have to work at it than it will be to buy a ticket at whatever price is going to be put on it—that has not yet been established—and sit down and try to figure out who is going to win games. It is a game of skill, the Minister said. I can tell you right now, Mr. Speaker, that because of the competition in the lottery business today, his figures are completely wrong. The goals which have been set will never be reached.

In addition, for the Minister to say that this lottery must go through to support the XV Olympics in Calgary is really misleading this place. The reason I say that is because I do not believe it is going to make itself the $200 million by the year 1988, which has been committed to those volunteers, those people in Calgary who have spent such a great deal of their own time and money putting this excellent presentation together. I do not believe the Government is going to make it with this program. Not only that, it is going to have to add to it to make up that $200 million commitment. While that is going on, those activities which we are talking about, fitness and amateur sports, the arts and culture, and medical and health research, will not receive anything. They will be left out there to dry.

The Minister says that these are very worth-while projects, and I agree with him wholeheartedly, they are very worthwhile projects. There is no question about that. However, how can they do any type of planning, put any kind of program together, a one-year, two-year, three-year, four-year program, when they are relying on gambling money, when they are relying on income from a "numbers racket"? They will have no idea how much will be coming in. They will have no idea how much they are going to receive even on a percentage basis from the funding. They will have absolutely no idea if they will receive anything out of it or if the money will all be eaten up in prize money or if, in fact, it will go down the tube.

What is it costing to set this up? According to the Bill, it is costing $10 million, plus the Corporation is allowed to borrow $20 million. The Minister of Tourism and Recreation for Ontario estimates it will cost $90 million just to set up this particular game which the Government is proposing.

We are opposing this Bill, Mr. Speaker, for numerous reasons. I mentioned the morality of it. I mentioned the porkbarrel aspects of it, and it will be a dandy, you can bet your boots on that. It will be a real dandy. I can see the Ministers now standing there handing out the cheques. I can see the appointments to the boards. I can see the chauffeur-driven cars and another permanent suite like Loto Canada had at the hotels. I can see these kinds of things coming in again with another Crown corporation. I am predicting now that this whole program of getting into the "numbers racket" is going to be a complete and utter failure. It was ill-conceived from the start. It will continue to be a drain on the public purse and especially on the poor people of this country who we all know are the ones who support this type of activity.

• (1540)

I will close by saying we will vote against the creation of a new Crown corporation. We support the Olympics wholeheartedly, but we do not feel worth-while projects should be funded through gambling money and we abhor the immorality of the federal Government getting back into gambling once again, amending the Criminal Code to make it legal for the Government to gamble but not for anyone else. It is a complete shame and I feel very badly that I have to stand up and debate such a Bill. I am completely and unalterably opposed to it and will vote against it on third reading.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I rise to end the debate on the Government's intention to institutionalize gambling by means of a numbers pool, purportedly to help the Calgary Olympics. If it was meant to do that and that alone, the Bill would limit the exercise to the funding of the Calgary Olympics and stop there. Actually it is a Bill to institutionalize this system in the Canadian way of life.

We need to look at the signals this Bill is sending out. The fact is that the Government, in order to introduce this gaming practice in Canada, has to include in the legislation amendments to the Criminal Code. That ought to send a clear signal to all of us that something is drastically wrong with the entire

proposition. Presumably this matter has been included in the Criminal Code for all these years because society has felt there is something wrong with the practice. It had to be illegal because it presumably creates hurt and damage to society. I would like to point out, Mr. Speaker, that making it legal does not make it right. While what was illegal now becomes legal; what was hurtful still remains hurtful.

We have to ask ourselves what is wrong with the entire proposition. First of all, gambling always depends for its success on the fact that most people who participate will lose. The whole system will fail if you have more winners than losers. Gambling is not going to be "a successful" business venture if there are more winners than losers. As other Members have pointed out, there is something morally wrong with government institutionalizing a system which requires more losers than winners. There is something morally wrong with a government which wants to profit on the backs of losers. This is reprehensible and diametrically opposed to the Canadian way of life and the Canadian code of morality.

It is wrong also because it violates patterns of human satisfaction. I think all of us will agree that man is inherently creative, that creativity is man's greatest instinct. I will not deny that all of us get a temporary kick out of a bonanza. We all enjoy a windfall. But that is something quite different from getting satisfaction.

Now, Mr. Speaker, if it is in our nature to be creative, then it seems to me that for us to be happy we have to have satisfaction rather than simply a kick. The only way we can do that is by satisfying our creative instinct, by unleashing our creativity. Therefore, man's greatest satisfaction comes from accomplishment, not from bonanzas. Inherent in this proposal is the attempt to enhance the desire within man to short-circuit the path to satisfaction. That is a disservice to the Canadian people and a denial of the human experience.

What we will end up with, Mr. Speaker, is the Government promoting illusions of instant wealth which will rob people of the inherent human satisfaction experienced when we create something with our own hands. We will have a population directed more and more towards the illusion of instant wealth, when of course the fact is that life is not that way. Most of the time we have to work for what we get. I point to the advertisements for Super-Loto. They show the symbols of wealth, obviously successful people lounging around the yacht club. The obviously wealthy people come in and sit at a table and one successful person says to the other: "Textiles? Shipbuilding?" The answer is: "No, Loto Can". You do not have to invest any more. You do not have to work any more. You do not have to develop your ingenuity any more. You do not have to take risks any more. Just buy a ticket to instant wealth, the leisure class and to acceptability.

We are building these illusions of instant success. We are saying to the unemployed that the way to get wealthy is to buy tickets. We used to say to the young people of Canada that if you will begin early and invest, you can build security. But we are now saying to people that if they will put aside a few bucks and buy a ticket on Loto Select, a sports pool or Loto Canada, they will have a chance of instant wealth. But we never give the odds. We never say it is a million to one, or, as a speaker pointed out yesterday, that you have more chance of being hit by lightning than of winning a large cash prize.

I remember years ago, Mr. Speaker, when I worked at Fraser Mills as a teenager, that I worked alongside a young man of my age at the time, 18 or 19 years old. He had been working at the mill for some years and when he was 19 years old he was building his third house. I imagine that by today he is probably quite successful, but my friends on the left will ask how he got so wealthy, he does not deserve all that money. Well, the fact is he started early and he saved and he worked. Through the system which the Government wants to introduce right now, it wants to undercut that kind of ethic, that kind of working for success. It wants instant solutions. The program is wrong because it builds an unhealthy world of fantasy and illusion.

• (1550)

Third, it is wrong because it overtaxes low income groups. We see the duplicity of the Government working out programs to help low income groups, whether through UIC, grants or any other program—the Government is always on a grant kick to help low income groups—and at the same time there is now a process by which it can take its money away from the low income groups, because as other Hon. Members have mentioned, statistics regularly show that the loto system is mostly supported by members of the lower income groups in our society.

I see the Minister sitting here, the one who is foisting this Bill on us. It is instructive to notice that one does not see Loto Canada kiosks in the lobbies of banks. One does not see them in the malls right in front of the banks. One does not see these kiosks in the glass tower, high-rise business buildings. Where does one see them? One sees them directly in front of or maybe even inside grocery stores or in the shopping malls. The focus is on impulse buying, not on investment. The focus is on a sense of immediate gratification rather than on building and planning one's future. These operations know very well, and the Government knows very well, that they will not do very well if kiosks are placed in banks or directly in front of banks, because people who go there are planning. They are not looking for instant gratification; they are looking for a return on investment. They are looking for work.

The fact that these kiosks are always situated where people are most vulnerable to impulse is pretty well an indication of where the success will lie. The immorality of the whole system lies in the fact that the Government wants to victimize the group that can least afford to be victimized. If the Government would sell the program to those who made $50,000 a year or more, then we would say: "Let those people take a risk". But right now, the Government is victimizing those who are in the low income groups.

We are now in the dying stages of this session. Perhaps the fact that the legislation comes at the end of this session is symbolic of the morality of the Government. This legislation is

being foisted on us in this session's dying moments, and the country will pay in more ways than we care to know for the legislation that is now before us. That is why my Party is voting against it.

Hon. Gerald Regan (Minister of State (International Trade)): Mr. Speaker, I will only take a moment of the time of the House. I want to thank all Hon. Members who have participated in the debate. I regret that I am unable to agree with many of the views that they have expressed.

I want to remind Hon. Members of the House that many of the points and concerns that they have expressed are certainly worthy of careful examination and we have sought to do that. However, what we have before us here is not a question as to whether there will be sports pools and lotteries in Canada, but, rather, whether they will be run so that the benefits are available only to the provincial level of Government or whether there will be funds made available to federal Governments to meet their responsibilities that must be met from a non-tax source.

The Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) has just mentioned where kiosks are placed by Loto Canada. He perhaps does not realize that Loto Canada has not existed for the last four years as an operating entity out in shopping centres, and that the kiosks are all provincial Government lotteries that he sees located in those places.

It is unfortunate that Hon. Members in the debate seem to have been taking two standards. The New Democratic Party at the provincial level has been and is involved in operating lotteries, and the Conservative provincial Government of Ontario is indeed unduly aggressive in the way in which it operates a provincial lottery. Therefore, I do not think it is a question as to whether these will exist. I think that the legislators have decided that in the past on the basis of federal laws that make it possible for provincial operations to take place. Rather, what we have here is a question as to whether the national Government will be able to support occasions like the Calgary Olympics.

I came into this question because of my commitments to the Calgary Olympics. However, there will be other occasions that will be worthy of support beyond those. That is why it is not limited only to those reasons. My colleagues felt that we should make a provision that payments could be made to culture and to medical research as well as fitness and amateur sport. I want to assure Hon. Members that every effort will be made to carry on the sports pool in a tasteful manner, much like the British soccer pools.

I finally want to say that our statistics show that sports pools do not appeal to people of low income, but have an appeal to a very different clientele than those who use lotteries.

Once again, I thank all Hon. Members. I urge the House to vote for the support of this positive Bill which will enable the Government of Canada to support very worth-while causes to a greater degree.

Mr. Nickerson: Why don't you put slot machines on the JetStar, Gerry?

Some Hon. Members: Question.

The Acting Speaker (Mr. Blaker): Before I put the question, may I point out to Hon. Members that there is a small procedural problem. There is a Standing Order of the House to the effect that the constitutional Bill relating to aboriginal rights should be commenced at four o'clock. It seems to be reasonable that if we now call in Members on the subject of this Bill, we would not want to call in the Members and then advise them at four o'clock that we must proceed with the aboriginal rights Bill. Therefore, I think I had better seek the view of the House.

Mr. Pinard: We will vote first?

Mr. Lewis: Vote first and then proceed.

The Acting Speaker (Mr. Blaker): If the House wishes to call in the Members, then we would proceed with the vote as soon as the whips appeared, but that the one and three-quarter hours allotted to the constitutional Bill would still remain available for that debate.

Mr. Pinard: We would like to vote first, and I think that if Your Honour seeks consent, provided we agree to a maximum of one hour and 45 minutes of debate on the resolution after the vote, you will find unanimous consent.

Mr. Lewis: Agreed.

The Acting Speaker (Mr. Blaker): The House has heard the proposition of the President of the Privy Council. It appears that there is agreement. Accordingly, is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Blaker): 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. Lumley, for Mr. Joyal) which was agreed to on the following division:

(*Division No. 368*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bockstael
Bossy
Breau
Bujold
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chénier
Comtois
Corbin
Corriveau
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
De Bané
de Corneille
Deniger
Desmarais
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupras
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Garant
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lamontagne
Lang
Laniel
Lapointe (Charlevoix)
Lapointe (Beauce)
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Massé
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rooney
Rossi
Roy
Savard
Smith
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Yanakis—109.

NAYS

Messrs.

Althouse
Beatty
Benjamin
Blenkarn
Bloomfield
Bradley
Cardiff
Carney (Miss)
Cook
Cooper
Corbett
Cossitt (Mrs.)
Deans
Dick
Domm
Elzinga
Fennell
Forrestall
Fretz
Friesen
Gamble
Greenaway
Gurbin
Gustafson
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Howie
Huntington
Jelinek
Kempling
King
Kristiansen
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mayer
Mazankowski
McCain
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McGrath
McKinnon
McKnight
McLean
Miller
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nowlan
Ogle
Parker
Patterson
Reid (St. Catharines)
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Wright—76.

[*Translation*]

Madam Speaker: I declare the motion carried.

Motion agreed to and Bill read the third time and passed.

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

ACCEPTABILITY OF TENTH REPORT OF STANDING COMMITTEE

Madam Speaker: The tenth report of the Standing Committee on Agriculture was tabled earlier today. I am afraid I must intervene and make a few observations on the content of that report and on a committee's function when considering Bills referred to it by the House.

On Wednesday, March 6, 1983, as Members of the House may recall, Bill C-653, an Act to amend the Farmers' Creditors Arrangement Act, was given second reading and referred to the Standing Committee on Agriculture. In its tenth report tabled today, the Committee has made observations and substantive recommendations to the House. The Committee did not report back Bill C-653.

I want to remind Members of all committees considering Bills referred to them by the House of Citation 783 of Beauchesne's Fifth Edition:

> There is no authority that a committee of the House, when considering a bill, should report anything to the House but the bill itself.

Speaker Lamoureux, who ruled on a similar procedural difficulty on December 20, 1973, stated the following:

> The situation is quite different when the committee has before it a general reference, such as an annual report of a department when there is greater latitude in the submitting of substantive recommendations to the House. With respect, I suggest to Hon. Members there is no authority to support the contention that a committee of the House when considering a bill should report anything to the House except the Bill itself.

Speaker Lamoureux in the same ruling went on to quote Beauchesne's Fourth Edition, Citation 304(2):

> A committee is bound by, and is not at liberty to depart from, the order of reference. In the case of a Select Committee upon a Bill, the Bill committed to it is itself the order of reference to the committee, who must report it with or without amendment to the House.

The Chair's principal concern in this case is that Bill C-653 is still before the Committee and that concurrently the Committee is attempting to place before the House questions related to that same Bill.

Hon. Members will agree with me that such recommendations and observations as contained in the tenth report of the Agriculture Committee would be highly irregular if they were proposed in the Committee of the Whole or at the report stage. There are other procedural avenues for the consideration of such substantive proposals, but this cannot be done by way of a report from any committee studying a Bill.

I have, therefore, no other option but to declare the tenth report of the Standing Committee on Agriculture out of order and consequently it cannot be received.

[*Translation*]

It being past 4 p.m., pursuant to Order made Thursday, June 23, 1983, the House will now proceed to consideration of Government Business, namely, motion No. 119 which is

deemed to have been reported by the Standing Committee on Indian Affairs and Northern Development.

GOVERNMENT ORDERS

[*English*]

CONSTITUTION AMENDMENT PROCLAMATION, 1983

MOTION TO AMEND CONSTITUTION OF CANADA

The House resumed from Monday, June 27, 1983, consideration of the motion of Mr. MacGuigan:

That:

Whereas the Constitution Act, 1982 provides that 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 resolutions of the Senate and House of Commons and resolutions of the legislative assemblies as provided for in section 38 thereof;

And Whereas the Constitution of Canada, reflecting the country and Canadian society, continues to develop and strengthen the rights and freedoms that it guarantees;

And Whereas, after a gradual transition of Canada from colonial status to the status of an independent and sovereign state, Canadians have, as of April 17, 1982, full authority to amend their Constitution in Canada;

And Whereas historically and equitably it is fitting that the early exercise of that full authority should relate to the rights and freedoms of the first inhabitants of Canada, the aboriginal peoples;

Now Therefore the House of Commons resolves that His Excellency the Governor General be authorized to issue a proclamation under the Great Seal of Canada amending the Constitution of Canada as follows:

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

1. Paragraph 25(*b*) of the Constitution Act, 1982 is repealed and the following substituted therefor:

"(*b*) any rights or freedoms that now exist by way of land claims agreements or may be so acquired."

2. Section 35 of the Constitution Act, 1982 is amended by adding thereto the following subsections:

"(3) For greater certainty, in subsection (1) "treaty rights" includes rights that now exist by way of land claims agreements or may be so acquired.

(4) Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons".

3. The said Act is further amended by adding thereto, immediately after section 35 thereof, the following section:

"35.1 The government of Canada and the provincial governments are committed to the principle that, before any amendment is made to Class 24 of section 91 of the Constitution Act, 1867, to section 25 of this Act or to this Part,

(*a*) a constitutional conference that includes in its agenda an item relating to the proposed amendment, composed of the Prime Minister of Canada and the first ministers of the provinces, will be convened by the Prime Minister of Canada; and

(*b*) the Prime Minister of Canada will invite representatives of the aboriginal peoples of Canada to participate in the discussions on that item."

4. The said Act is further amended by adding thereto, immediately after section 37 thereof, the following Part:

"PART IV.1 CONSTITUTIONAL CONFERENCES

37.1 (1) In addition to the conference convened in March 1983, at least two constitutional conferences composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada, the first within three years after April 17, 1982 and the second within five years after that date.

(2) Each conference convened under subsection (1) shall have included in its agenda constitutional matters that directly affect the aboriginal peoples of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on those matters.

(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 a conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

(4) Nothing in this section shall be construed so as to derogate from subsection 35(1)."

5. The said Act is further amended by adding thereto, immediately after section 54 thereof, the following section:

"54.1 Part IV.1 and this section are repealed on April 18, 1987.

6. The said Act is further amended by adding thereto the following section:

"61. A reference to the Constitution Acts, 1867 to 1982 shall be deemed to include a reference to the Constitution Amendment Proclamation, 1983."

7. This Proclamation may be cited as the Constitution Amendment Proclamation, 1983.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, fellow Parliamentarians, the resolution before us today is the culmination of a dialogue that has been going on between the aboriginal people of Canada and political leaders since the Royal Proclamation of 1763. If that seems to overstate the significance of the resolution that calls primarily for a continuing dialogue between native leaders and First Ministers, I ask my colleagues to remember the nature of our historic relationship with Indian and Inuit people in Canada.

Before Confederation, Canadians were engaged in a purposeful search for indentity as founding members of a new order in an unfamiliar land. The preoccupations of the day involved war, survival, wilderness and disease. Challenges were met head-on and dealt with directly. All the while the promise of peace and plenty was like a powerful magnet drawing upper and lower Canadians into the twentieth century.

It was in this context and with strong momentum that Canadians faced and resolved the great issues of the day. When it came to creating a new dominion, linking its regions by rail or fashioning ties between cultures, Canadians did what I trust we will always do, the best we can do in our time.

In the eighteenth and nineteenth centuries, aboriginal peoples and the new settlers tried to find some reasonable accommodation between their various needs and the contending forces. Native people were often displaced from one part of the country to another. Treaty arrangements were struck on an as needed, ad hoc basis; some of them before Confederation, the majority after.

Indian/non-Indian relations were characterized by a whole set of special, sometimes contradictory legal arrangements. It was a complex and difficult situation, some vestiges of which linger with us to this day. Yet out of that same process came certain provisions and protections for Indian people. Two hundred and twenty years later, contemporary Indian people still recite the recognition of their uniqueness in the Royal Proclamation of 1763 as a basis for new arrangements.

The Constitution Act of 1867 recognized a special relationship between Parliament and aboriginal people which they cherish to this day. Significantly this special relationship described in Section 91(24) of our first Constitution forms today an important element of the Accord signed at the close of the conference in March.

This open door to the federal Government is the basis for continuing discussions with my federal colleagues and myself in parallel with the ongoing constitutional process. Indian people have insisted on this form of insurance based on many decades of experience.

As I suggested earlier, the most fundamental arrangements we struck in the past, those which found expression in the Royal Proclamation and the Constitution Act as it was proclaimed in the last century, still serve us well in the present.

• (1640)

Once again, the future rests on Canadians doing the best they can in their time, only now, we all have more experience. In the 1980s there are still other priorities. We have explored the wilderness, we have built the railways and overcome most of the diseases that plagued the pioneers. The centuries have seen these challenges replaced by others.

But something happened as a result of the March Constitutional Conference that should inspire new hope. By establishing an ongoing process of three similar First Ministers' Conferences over the next four years, we have ensured that the concerns of the aboriginal people, Inuit and Indian, are at the top of the national agenda. That fact alone should make a world of difference to the way we proceed this time.

The focus for the special relationship has since 1867 been the Parliament of Canada. It has taken more than 100 years for the leaders of the aboriginal peoples and the elected leaders of Canada to sit down in one room together and talk openly face to face. In 115 years this has never happened. We have never responded in such a way to an agenda devised by native people. First Ministers and native leaders have never talked in a collective way across one table as common citizens of one country.

Those are but some of the reasons I feel this House must support the resolution that is before it in this debate. It is a momentous debate. When the Parliament of Canada and the provincial assemblies ratify this resolution under the Constitution, a new dialogue will begin. It will be one that is based on an attachment to this nation and all the people who live here. That is what the next three conferences will be about. With this resolution, we can begin to fashion a new sort of future.

The future will be based on how we Canadians, Inuit, Indian and non-Indian, perceive problems and possible resolutions. It begins with the Accord which ensures that native leaders will participate with the First Ministers in a constitutional conference before any amendments are made to those parts of the Constitution dealing exclusively with aboriginal peoples. This is not a formal consent clause but it gives aboriginal peoples a unique and permanent political say in constitutional change of special concern to them.

The Accord also gives past and future land claims settlements a new status and security by including them among the "treaty rights" recognized and affirmed in the Constitution. This should yield a greater incentive for early resolution of many of the outstanding land and related claims of aboriginal peoples. In addition, the Constitution will be amended to ensure that the aboriginal and treaty rights are affirmed equally for men and women.

Perhaps most important of all, we have established that negotiation on a national level is the way to decide on relationships and rights. This time discussions will be based on real negotiation, not just consultation; not mediation but a process of free and open discussion among parties, each of whom has something to offer and something to gain.

The Accord was signed because all the parties, including Quebec, even if that Province did not sign, found common ground. This happened because everyone said what they thought in a spirit of respect and with a genuine desire to understand and reach an accommodation. The Accord, then, represents not only agreement on certain specifics; it is a powerful symbol of a new mode of open negotiation between aboriginal peoples and Governments. Second, it has become a sketch of where we can expect future negotiations to take us.

One of those directions is the issue of aboriginal self-government. In his opening address at the First Ministers' Conference, the Prime Minister (Mr. Trudeau) stated that issues concerning aboriginal government are "the heart of the matter, the crux of our efforts to improve the conditions of aboriginal peoples". He also said that between the unacceptable extremes of assimilation or absolute sovereignty, there is a broad range of negotiable possibilities that could yield various forms of self-government.

I myself see this in my role as Minister of Indian Affairs and Northern Development on a daily basis. Between the extremes, most native groups are struggling to hammer out a form of local control based on economic and cultural independence. I see this on the level of social services where in Manitoba, New Brunswick and Alberta band councils are assuming control of child welfare. In these Provinces bands will receive child welfare services equal to those offered to other citizens in their respective Provinces for the first time.

I see this on the level of economic development where band councils are coming forward now and saying that they want the means with which to become economically self-sufficient. They are saying that they want the means with which to reduce welfare rolls. This involves difficult new bilateral and tripartite negotiations. But the difference between the old and

the new is clear. Indians are moving toward controlling their economic destinies instead of being controlled.

I see the struggle for control of individual destinies on the level of Indian policing and education. The strength and independence of the Indian and Inuit cultural movement is also reflected at the grass roots level. This resolution, by the way, acknowledges the cultural distinctiveness and diversity of Canada's aboriginal peoples. It demonstrates an awareness that aboriginal lifestyles, languages and customs must be protected.

The Constitution is the focus of Parliament's attention today, as well it should be for it is also the focus of Indian and Inuit aspirations throughout the country. Those aspirations depend on more than success at the constitutional table, important as that is. I have tried here to outline some of the dimensions of those aspirations that I see in my role as Minister of Indian Affairs and Northern Development. In the long run, if we continue to succeed it will mean a new type of Indian legislation rather than the Indian Act.

I do not propose to speculate here exactly how the Act will be changed, but if native communities in Canada are to move forward with new, effective powers to plan, initiate and deliver programs responsive to their needs, then some of the old relationships simply must change.

This is one dimension of the problem that constitutional conferences and native national organizations will have to struggle with in the near future. That will be a challenge every bit as difficult as the one we have just been through. I trust that the Special Committee on Indian Self-government will be a key resource in helping us arrive at some answers that will effect the kind of changes we will want to see happen in the near future. I trust this Committee, established in a climate of non-partisan agreement and with unprecedented latitude in its terms of reference, will be a major asset in our search for solutions.

Another important direction I can see negotiations taking in the future is the involvement of the Provinces and the Territorial Governments. The constitutional discussions introduce for the first time in a formal and fundamental way other Canadian leaders to the developing relations between aboriginal peoples and Government.

• (1650)

While the federal Government will always have a special relationship with Indian and Inuit people, it had become clear that the Provinces and Territories should join in the debate. Now they have. This is a key element in maintaining the momentum towards reforming the system that we presently have, for we are at a crucial period in the development of Canadian native communities. Never has the opportunity for innovative reform been so propitious. This is the message that I have been carrying to Indian and Inuit leaders in my capacity as Minister of Indian Affairs and Northern Development. We have the spirit for constructive change coming from so many different directions—from native communities, from native national and regional organizations and from Parliament.

If you remember, Mr. Speaker, when I asked Parliament on August 4, 1982 to create the Special Committee on Indian Self-Government, there was all-Party agreement. This is not a phenomenon we see every day. I believe the same non-partisan spirit is here today. I believe we will find new, workable relationships between Canadian native people and the Canadian Government. The first step toward that new relationship is to ratify the Accord agreed upon at the First Ministers' Conference. I ask the House to do that today.

As evidence of the spirit of non-partisanship, I met today with my colleagues in the Official Opposition who are on the Indian Affairs Committee. Last night I met with Members of the New Democratic Party who are very much concerned with aboriginal affairs. This is evidence of a new spirit of non-partisanship designed to achieve the aspirations of the aboriginal people in Canada.

We are on the threshold of a new opportunity to act like Canadians in the face of yet another challenge—that is, to do the best we can for our time. We have experience, we have commitment, we have a workable process, and we have for once accorded aboriginal peoples the priority required to make a real difference to their circumstances. Opportunities like the one before us today arise only occasionally in the lives of men and women. Let us join together to make the best of it.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I listened with care to the words of the Minister of Indian Affairs and Northern Development (Mr. Munro). The other day when the resolution first came to the House, as I am sure he will have read in *Hansard*, there was very warm support for the changes to our Constitution through this resolution. This support was voiced particularly by the Hon. Member for Wetaskiwin (Mr. Schellenberger) and the Hon. Member for Provencher (Mr. Epp). That indicated the degree of support the Progressive Conservative Party has given to the measures before the House in this resolution. The changes, though limited in scope, are welcome.

I have a particular interest in this subject. When I first came to the House of Commons in 1972, I was appointed this Party's critic for Indian affairs and northern development. It was in that position of responsibility that I had the privilege on April 11, 1973, of raising the matter of aboriginal debate in this House. I just want to read a few comments that I made at that time. They say something about the approach of people in this House to the vast question of aboriginal rights. At page 3207 of *Hansard* for April 11, 1973, these words are recorded:

> The subject we are discussing today deals with the concept of aboriginal title. Today, Mr. Speaker, is the first time this vital matter has been debated in the House; the first time in over 100 years that it has received the attention and consideration of the House as a whole. Why is this? Is it because it was not considered of significance and importance in our earlier history? No, indeed. It is because this is the first time a government has failed to recognize the concept of aboriginal rights and has rejected the concept outright.
>
> Previous governments may have failed to fulfil their obligations to the hundreds of thousands of Indian people, but they never questioned the principle. Not until 1969, following the introduction of the government's white paper on

Indian policy when the minister stated that aboriginal claims to land were not realistic, was a Prime Minister of this country to say of this question, and I quote the Prime Minister (Mr. Trudeau): Our answer, it may not be the right one and may not be the one which is accepted . . . our answer is no.

That was what triggered the debate at that time. There was a rejection of the concept of aboriginal title. We have come a long way since that day. We have come a long way since that debate and much has been accomplished. The perseverance and determination which has been characteristic of the native peoples of this country throughout their history have once again proven to be the major instrument in bringing about much needed reform. Nowhere was that more evident than in the Conference of First Ministers and native leaders which took place in March this year. The country was able to see how our native people conducted themselves in negotiations of such a critical nature.

As others have said, this is only a beginning; much remains to be done. I hope the conferences in the years ahead which are being provided for in this resolution will fulfil the expectations of our native peoples which have been there since time immemorial.

There is one aspect of this resolution which is of particular importance to me. Section 2, subsection (4) reads as follows:

Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons.

That is a big step forward. Some of us in the House have been fighting for the removal of Section 12(1)(b) from the Indian Act for a good many years. It calls for the discriminatory aspect that when a woman of Indian status or Indian background marries a non-Indian, she immediately loses her Indian status and so do any children of that marriage. I have a Private Member's Bill in the House of Commons at the present time which would bring about the complete removal of Section 12(1)(b) of the Indian Act. The former Government headed by the Right Hon. Member for Yellowhead (Mr. Clark) undertook to do away with that discriminatory section. I presume that once this amendment to the Constitution is enacted, those who now claim Indian, Métis or Inuit status will be treated equally, whether male or female. That is, those people presently covered by the status of Indian, Métis or Inuit.

I have a concern which does not seem to be addressed in the discussions that have been going on and certainly it was not addressed by the Minister of Justice (Mr. MacGuigan) or by the Minister of Indian Affairs and Northern Development in this debate. It has not been included in any resolution or legislation to date. It is that those who suffered loss of status in the past, as a result of the discriminatory sections of the Indian Act, are still without status. They are outside the pale. They are still non-people as far as the Indian Act is concerned. They are not entitled to claim their share of aboriginal title. They are not entitled to take their place as Indians in an Indian society, either for themselves or for their children. There are many, many people in this category in Canada today. The names of some of those who have lost their Indian status are almost household words, Sir. Jeanette Lavell took her case all the way through to the Supreme Court of Canada and was still denied justice. Sandra Lovelace of the Tobique Reserve in New Brunswick lost her Indian status in 1970 when she married a non-Indian. Since she knew that the Supreme Court would probably treat her case and render a judgment on her fate in the same way that it had decided upon the fate of Jeanette Lavell, she took another route to try to seek justice. She went to the Human Rights Commission of the United Nations. She appealed to it in saying that her human rights had been denied. Her case is upheld.

• (1700)

In September, 1981, the Human Rights Commission of the United Nations told Canada that it should clean up its act. Indeed, the Prime Minister (Mr. Trudeau) promised at that time that that would be done within a year.

Another case which is very well known is that of Mary Two-Axe Early. A number of us have had occasion to speak to Mary, have listened to her case, have seen her battle over the years for the rights of those women who are denied Indian status. She is a person who has battled long and diligently, not just for her own rights, but for those of all Indian women and children who are denied their rightful status as Indians. Mary told me in one conversation which I had with her some time ago, "It is easier for a dog to be buried on the Caughnawaga Reserve, my Reserve, than it is for me, a full-blooded Indian, who has been stripped of my rights." She is denied burial there. A dog is not.

Those are three cases: Jeanette Lavell, Sandra Lovelace and Mary Two-Axe Early. Their cases are known far and wide and they have been cited often. However, if you look at the number of cases elsewhere in the country, Mr. Speaker, you would find, going back in the records, that it is estimated that since 1920 a total of approximately 15,000 women have lost their status following marriage to a non-Indian. That is an estimate. Since 1965, the Indian Registry has recorded the number of women who have lost their status as a result of marriage to a non-Indian, and I have those figures. I believe in fact they have been produced by the Department of Indian Affairs and Northern Development. The number of women who have lost their status as a result of Section 12(1)(b) "marriage to a non-Indian", since 1965, comes to approximately 8,000. The estimated number of children born to Indian women who lost their status because of marrying non-Indian men is, according to the figures I have before me, 37,700.

There are other women and children who have lost their Indian status not because of Section 12(1)(b) "marriage to a non-Indian", but because the Indian husband and father in each case voluntarily chose to give up his Indian status. As a result, the mother and the children automatically lost their status as well. These injustices are permitted to continue in our society. They are permitted to continue today and we hear nothing about rectifying them in the future. Until they are corrected, we cannot say that the Canadian Charter of Rights is being honoured either in spirit or in practice.

The Minister of Indian Affairs and Northern Development, when he was speaking, made reference to the Subcommittee on Indian Self-Government which had been established, and the very fine work which had been done by that subcommittee. He neglected to mention that there was another subcommittee which also had been in operation at the same time, and which had done equally fine work. That was the Subcommitee on Indian Woman and the Indian Act. That subcommittee unanimously made four recommendations, four themes, in their report. They recommended, first, the removal of all discriminatory provisions in the Indian Act, but not so as to remove Indian status from those who gained it on marriage; second, the reinstatement of all Indian women who lost their status on marriage, and their first-generation children. That is a very critical and key recommendation, a unanimous recommendation, of that all-Party subcommittee, to reinstate Indian women who lost their status on marriage and their first-generation children. Third, they recommended that there be no future gain or loss of Indian status, or loss of rights such as band membership on marriage; and fourth, Band control of membership.

I make mention of that report, Mr. Speaker, because it is critical that the Government respond to the report of that subcommittee. That is surely the action which should now ensue from the subcommittee report. Back on July 7, 1980, in response to a question which I raised in the House of Commons directed to the Prime Minister (Mr. Trudeau), he said that he hoped that this matter, that is, the loss of status which had already taken place, would be rectified within one or two years at the most. That one or two years has now passed, and nothing has been done for the women and the children whose rights lie outside the scope of today's resolution.

As we know, there is no retroactivity to the resolution before us. In November, 1981, the Minister responsible for the Status of Women said that she hoped that the necessary steps to redress the situation would take no more than a year to pass. That year has come and gone. Still no action has been taken to deal with the plight of Sandra Lovelace, Mary Two-Axe Early or Jeanette Lavel, or the thousands of other women in circumstances similar to theirs. The Government will be compelled to address this problem once Section 15 of the Charter of Rights becomes fully operative in 1985. However, why not show its good intentions now by taking immediate action rather than risk being dragged into the courts, kicking and screaming, when that three-year grace period elapses?

I know, Mr. Speaker, there will always be argument, and I know there will be reluctance on the part of some to face up to this matter squarely. However, the problem, Sir, is not going to go away and it is not going to become any less acute just because it is being ignored. In passing this resolution, Mr. Speaker, let us resolve that the unfinished business of those individuals who continue to be denied their rightful place, their rightful Indian status, is dealt with and dealt with justly and fairly once and for all.

The Acting Speaker (Mr. Corbin): Order. Questions, comments? Debate.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I welcome this opportunity to speak for my Party with regard to the motion which is before us to amend the Canadian Constitution. As the Hon. Member for Winnipeg-St. James (Mr. Keeper) said on Monday when the motion was introduced, our Party supports the Accord, but we have many concerns about it. When we look at the Accord we see it as a minimal achievement. However, it is an achievement and, therefore, we are supporting it.

• (1710)

In the few minutes I have this afternoon I would like to address the substance of the Accord and then look at the process for future debate. There are several minor improvements which tidy up the language concerning treaty rights and agreements. As the Hon. Member for Kingston and The Islands (Miss MacDonald) has mentioned, there is the clause guaranteeing aboriginal rights equally to males and females. That clause is extremely important to all Members of our Party because all of us are very much aware of the pain and suffering caused by the discriminatory sections of the Indian Act, in particular Section 12(1)(b).

That can be looked at in several ways. First there are those women who lost their status because they married a non-Indian. Then there are their children. There are those women who might have wished to marry a non-Indian person but because they did not wish to lose their status, they gave up the relationship and suffered thereby. There are those women who do not want to give up a relationship and lose their status so they live common law, and they continue to suffer along with their children from whatever social stigma still attaches to that situation. So we see that Indian women have suffered in countless ways.

In addition, Indian women, families and communities have suffered from the division this Section has brought. We believe it is important to recognize that the major source of this discrimination has been non-Indian legislation imposed on the Indian people without consent. Indeed, in many cases it was against their expressed opposition.

The Indian Act reflects a patriarchal, Victorian attitude in both its colonialist assumptions and its racist and sexist assumptions. It is interesting that in the testimony presented before the special joint committee of 1946, 1947 and 1948 which was looking at the revision of the Indian Act, representatives of the Department indicated that one of the reasons for this kind of provision was that they wanted to reduce the number of Indian people. That would lower the federal Government's financial responsibility to them. You can compare Section 12(1)(b) with some of the earlier Sections of the Indian Act which automatically disenfranchised any Indian person who went to university or became a lawyer or clergyman. The whole attitude of the Government was to get as many people away from Indian status as possible, because it was regarded as an inferior status, which Indian people themselves rejected, but mainly because of the financial implications.

Today, as never before, Indian people are asserting the importance of their status and they want it maintained. Indian women have the right to maintain their status regardless of their marital status, and I would urge the Minister to bring in legislation as soon as possible to deal with the recommendations brought out in the subcommittee's report on Indian women in the Indian Act. When the Minister appeared before the second subcommittee in December he promised he would bring in that legislation with considerable haste. Seven months have gone by since then and we still have not seen the legislation. I remind the Minister, the Government and the House that it is important that this legislation be tabled so that Indian leaders and groups as well as Members of Parliament can study it and make respresentations. It is a very complex subject, it is not going to be dealt with on a Friday afternoon by all Party agreement, so it is important to do it right when we do it.

I regret that some misunderstandings surrounding the equality clause when it was introduced have arisen. Many of the groups representing the aboriginal people thought the wording in the final Accord was not the wording to which they originally agreed. It is important to note the basis for this understanding is Section 35(1), which talks about existing aboriginal and treaty rights. It is that word "existing" which limits the equality clause, just as it limits the whole application of aboriginal and treaty rights. It is the word "existing" which causes Indian, Inuit and Métis people to feel very uneasy about the real intentions of this Government.

A third issue dealt with in this Accord involves an invitation to the aboriginal people to a constitutional conference to discuss any proposed amendment which would affect their aboriginal and treaty rights. This is a first and welcome step but it is a long way from proper provision for the aboriginal people to enable them to defend their rights against any attempted tampering by the federal and provincial Governments. It is important to recognize that we have in our Constitution Section 43 which protects the rights of the Provinces. An individual Province affected by constitutional change has the right to veto the change. If an aboriginal right exists and our Constitution says that it does, well, then it has to be basic to our Constitution. It should not be subject to the whim or even the determined policy of the federal and provincial Governments even if they all act in concert. If aboriginal rights exist, and we believe they do, then the aboriginal people should have the final say about those rights, and it is for that reason, Mr. Speaker, that our Party strongly supports the idea of a consent clause.

Finally, Mr. Speaker, as to substance, there is provision for an ongoing process through a series of First Ministers' Conferences which will continue to work at the agenda set before the First Ministers by the aboriginal peoples. These ongoing conferences are necessary. Indeed, this is one of the major reasons why our Party is supporting the Accord. Most of the agenda items which the Indian, Inuit and Métis people laid on the table last year continue to be outstanding. No progress has really been made in defining the rights of Indian people with respect to aboriginal title or treaty rights or Indian Government. Their hunting and fishing rights continue to be under threat from provincial Governments and courts. So it is essential that we begin to make progress toward a further definition, clarification and entrenchment of these peoples' rights.

In connection with the future conferences, Mr. Speaker, I would like to make a few suggestions regarding process. These suggestions come out of the hearings the Standing Committee on Indian Affairs and Northern Development held with respect to this motion when the different aboriginal groups appeared before us. First of all, I think it is important to recognize the need for a bilateral process. Indian people have always been very proud of the fact that their relationship is with the federal Government, not with the Provinces. This is enshrined in Section 91(24) of our Constitution. To involve the Provinces has, in fact, been a divisive factor. It can be pointed out that there are some 70,000 Indian people who were not represented at the First Minister's Conference in March. They were not represented because they did not want to appear at a forum in which there was provincial involvement. They felt that their relationship was with the federal Government and they want that basic relationship to continue.

• (1720)

We are dealing with a situation, whether we like it or not and whether the Indian people like it or not, in which the provincial Governments are involved. However, the suggestion has been made that there should be a series of bilateral meetings between the federal Government and the Indian people to draft some very clear proposals. Once basic agreement has been reached between the federal Government and the Indian people, then the federal Government can take it to the Provinces and to the First Ministers' Conferences for ratification. However, I think it is important, if we want to see progress on these agenda items, that there be a move toward a bilateral process. In conjunction with that thought, it is important that we recognize that Indian people, Metis people and Inuit people are all separate peoples. They have separate concerns and needs. They have separate agendas that they want to see addressed at these First Ministers' Conferences. Therefore, it is important that in the preliminary discussions there be separate tracks for each of these peoples instead of trying to bring them all together and persuading them to compromise and agree to some common agenda which, very often, leaves out some items of importance.

I regret that the Government has not moved more in recognition of the role of the Native Women's Association of Canada so that it can have some direct input at the First Ministers' Conference instead of requiring it to deal through the other national organizations.

It is important that Indian political leaders, in preparation for future conferences, be able to deal at the political level and not be relegated to dealing with bureaucrats, because what we are dealing with here is policy, and it is important that politicians who are able to speak for the Government be involved in

making decisions and reaching basic agreements with the aboriginal peoples' politicians.

With regard to process, it must be increasingly recognized that there is a very complicated process, that there are numerous stages of discussions and reporting back to parent bodies and to constituencies. If the aboriginal peoples' organizations are to be enabled to do a proper job, they will have to receive adequate funding, more than just enough to come to a First Ministers' Conference once a year. They will have to have the kind of funding that enables them to report back to their own constituencies and allows for the kind of consultative process throughout their own constituencies that is so necessary.

At some of the preliminary meetings that were held last year, it seemed as though the federal Government was mainly interest in smoking out the position of the aboriginal groups that were there. It is important that the federal Government declare its position in some detail so that these people will know what they are up against. There must be a two-way process of laying cards on the table so that people know what is involved. The federal Government expects the aboriginal groups to be up front with their positions. It is only legitimate that they should be able to expect the federal Government to do the same.

Finally, we have taken, in the accord, a small first step, but we have a long way to go. We support that first step, but we urge the Government to get on with the long journey toward proper recognition of aboriginal rights.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Corbin): Order! It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen)—Freedom of Information—MacBride commission report. (b) Government policy; the Hon. Member for Bow River (Mr. Taylor)—Veterans Affairs—Request that commemorative medal be struck to honour Dieppe veterans; the Hon. Member for Portage-Marquette (Mr. Mayer)—Grain—Cash Advance payments—Request for increase. (b) Request for assistance to farmers.

• (1720)

GOVERNMENT ORDERS

[*Translation*]

CONSTITUTION AMENDMENT PROCLAMATION, 1983

MOTION TO AMEND CONSTITUTION OF CANADA

The House resumed debate on the motion of Mr. MacGuigan:

That:

Whereas the Constitution Act, 1982 provides that 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 resolutions of the Senate and House of Commons and resolutions of the legislative assemblies as provided for in section 38 thereof;

And Whereas the Constitution of Canada, reflecting the country and Canadian society, continues to develop and strengthen the rights and freedoms that it guarantees;

And Whereas, after a gradual transition of Canada from colonial status to the status of an independent and sovereign state, Canadians have, as of April 17, 1982, full authority to amend their Constitution in Canada;

And Whereas historically and equitably it is fitting that the early exercise of that full authority should relate to the rights and freedoms of the first inhabitants of Canada, the aboriginal peoples;

Now Therefore the House of Commons resolves that His Excellency the Governor General be authorized to issue a proclamation under the Great Seal of Canada amending the Constitution of Canada as follows:

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

1. Paragraph 25(*b*) of the Constitution Act, 1982 is repealed and the following substituted therefor:

"(*b*) any rights or freedoms that now exist by way of land claims agreements or may be so acquired."

2. Section 35 of the Constitution Act, 1982 is amended by adding thereto the following subsections:

"(3) For greater certainty, in subsection (1) "treaty rights" includes rights that now exist by way of land claims agreements or may be so acquired.

(4) Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons".

3. The said Act is further amended by adding thereto, immediately after section 35 thereof, the following section:

"35.1 The government of Canada and the provincial governments are committed to the principle that, before any amendment is made to Class 24 of section 91 of the Constitution Act 1867, to section 25 of this Act or to this Part,

(*a*) a constitutional conference that includes in its agenda an item relating to the proposed amendment, composed of the Prime Minister of Canada and the first ministers of the provinces, will be convened by the Prime Minister of Canada; and

(*b*) the Prime Minister of Canada will invite representatives of the aboriginal peoples of Canada to participate in the discussions on that item."

4. The said Act is further amended by adding thereto, immediately after section 37 thereof, the following Part:

"PART IV.1 CONSTITUTIONAL CONFERENCES

37.1 (1) In addition to the conference convened in March 1983, at least two constitutional conferences composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada, the first within three years after April 17, 1982 and the second within five years after that date.

(2) Each conference convened under subsection (1) shall have included in its agenda constitutional matters that directly affect the aboriginal peoples of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on those matters.

(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 a conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

(4) Nothing in this section shall be construed so as to derogate from subsection 35(1)."

5. The said Act is further amended by adding thereto, immediately after section 54 thereof, the following section:

"54.1 Part IV.1 and this section are repealed on April 18, 1987.

6. The said Act is further amended by adding thereto the following section:

"61. A reference to the Constitution Acts, 1867 to 1982 shall be deemed to include a reference to the Constitution Amendment Proclamation, 1983."

7. This Proclamation may be cited as the Constitution Amendment Proclamation, 1983.

Mr. André Maltais (Parliamentary Secretary to Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Mr. Speaker, I am very pleased to be taking part in this debate on an amendment to the Canadian Constitution which concerns the first people who settled in this country. I think that today, on June 29, 1983, we are truly making history. This is the first time, since the Canadian Constitution was adopted, that Parliament is proposing amendments. The nature of this motion proves that the Canadian Government is extremely aware of the issue and that it will do everything in its power to ensure that in the coming months and years, the genuine aspirations of native peoples will now be discussed on equal terms.

Mr. Speaker, as the Member for Manicouagan, a riding that has a large population of native peoples, including Montagnais, Naskapi and also the Inuit on Ungava Bay, I am proud to be able to stand up in the House and express my support for the motion moved by the Minister of Justice (Mr. MacGuigan). Often when we talk about native peoples, it seems almost like an abstract concept, although we know they are there across the country. However, anyone who has been in close contact with these people realizes how great their contribution is to Canada's culture, and when we talk about the founding peoples in referring to the English and the French, we must never forget that the first people who populated this country are the native peoples. Today, by amending the Constitution in order to start major negotiations with the native peoples, with the provinces and with the federal Government we are proving that the debate on the Constitution in 1982 was not a mass of meaningless words and that it is now becoming a reality that will make it possible for native peoples to truly participate in the affairs of this country.

Mr. Speaker, I wish to congratulate the nine provinces who have already agreed to sit down with the native peoples and the Canadian Government, in order to amend their own provincial legislation so as to embody therein various amendments regarding native peoples which the Canadian Government wishes to include in the Constitution. I hope that the Province of Quebec, which has not yet agreed to negotiate with the Canadian Government and with the native peoples will do so in the near future, because the issue here is to establish clearly the rights of native men and women. I therefore call once again on the Province of Quebec to sit down as soon as possible with the nine other provinces and the Canadian Government, so that at last our native peoples will be able to live on equal terms with all Canadians, whatever their origin may be. This is a fundamental principle.

Mr. Speaker, I think that what should be emphasized today is the fact that the Constitutional Conferences that will be starting shortly will now be held on a truly legal basis. Before, native peoples were practically obliged to negotiate from scratch every time, on the basis of ancestral treaty rights or rights acquired through various pieces of legislation adopted since 1931, while now, through the Constitution, the Canadian Government and the native peoples will be negotiating on equal terms. It is truly a new beginning for these people who had to work extremely hard to obtain recognition of their status and their rights. Often, legal distinctions have been made regarding the nature of a treaty, compared with an Act or the rules of custom, and often the legal experts, and here perhaps I might point out what the Department of Justice has done at the federal level to bring about the entrenchment of all these rights but, before, tradition was more or less ignored. The usual comment was: Listen, it is not a statute, and it is not something that is recognized by the statutes. With the various constitutional conferences, what used to be called traditions or vested interests will now become a daily reality well supported in our statutes, and that is the important thing because we were too inclined in the past to leave the matter open without ensuring that native rights were truly recognized in legislative, legal and judicial terms. The resolution introduced by the Minister of Justice will now allow us to do so.

As I said earlier, I am especially happy to support this resolution because it is the first time that the Constitution approved by the House of Commons is amended, and I want to congratulate the Minister of Justice on being first to propose an amendment. It could have been amended in other areas, but the change was made directly for the benefit of our native people, and in this regard, the concern of the Minister of Justice for human rights, which are at the very root of our Constitution, should be singled out. I therefore believe that both sides of the House should congratulate the Minister of

Justice on amending the Constitution in favour of our native people at an early opportunity.

Another point that I should like to make, Mr. Speaker, is the importance of updating quickly the rights of the native people. I say this because in my own area, Manicouagan, which borders on both Labrador and Quebec, for strictly provincial reasons, the right to hunt, fish and trap of Quebec Indians on Labrador territory has been restricted if not withdrawn completely, and I had to contact the Newfoundland Premier several times to ensure that Quebec Indians have the same rights in Newfoundland-owned Labrador. When a caribou wanders about Labrador or Quebec, it is still the same caribou, but we, the white men, have passed laws which allow the Indians to hunt this caribou in Quebec, but not on Newfoundland territory, and the same applies in various provinces. Where the Inuit live, there are a number of conflicting laws which prevent the Inuit and other native people from following their traditional way of life. This situation is due to conflicting statutes and regulations which restrict the daily activities of the native people.

When I say that the provinces, the Indians and the Inuit have to sit down with the Federal Government in the near future, it is because the native people must be allowed to live as they have always done. We often forget to mention the significant contribution of these people to Canada. To acknowledge that fact, Mr. Speaker, you really have to live in areas where there are native people. When reference is made to native people in this House, the city dwellers often come to mind, but most of them live in northern Quebec and Canada and in frontier areas. They are the first guardians of the country. They are the ones who allowed French, British and Canadian explorers to travel across our country safely, because they know it like the back of their hands. These exceptional guides have enabled our oil and gold mining companies to make important discoveries for the economy of Canada, but this fact is rarely mentioned.

• (1730)

However, the amount of tax dollars spent by the Department of Indian and Northern Affairs is often mentioned. I suggest, Mr. Speaker, that all the native people will claim at future constitutional meetings is the right to self-government and to economic self-sufficiency so that they will no longer be dependent on the central government. Mr. Speaker, native people are asking for equal rights, of course, but they also want an opportunity to develop within this country without losing their identity. We should keep in mind that equal rights and equal legal entity does not in any way wipe out the identity of an ethnic group. Native people do not claim to be better than Canadians generally, they are not concerned about being treated as inferior human beings as they have been in the past, but they certainly want to be part of the day-to-day economic activities and thus give their younger generations a chance to prosper with the country without forever depending on Government laws and regulations.

Mr. Speaker, I think that the best way to sum up the initiative taken last Monday by the Minister of Justice would be to say that we are aiming at the eventual disappearance of the Department of Indian Affairs and Northern Development so that, once and for all, native people will be full-fledged citizens like the rest of us with their own brand of Government to take matters in their own hands. Essentially, that is the take over which the Minister of Justice was advocating last Monday when he introduced amendments to the Canadian Constitution. I think that is wonderful.

In certain regions already, and I have in mind my friend Charlie Makiuk of Fort Chimo, or Joseph Guanish of the Schefferville area, the Naskapi chief, those people are pressing ever harder to be free on their own territories and to develop them as they see fit, with due respect for the rights of white people and other Canadians. They want to spur their economic activity and give a chance to their future generations to go on living as free and prosperous men and women. That is what the native people are asking for and that is indeed what the Minister of Justice paves the way for by introducing amendments to our constitutional resolution of 1982.

That was the second point, Mr. Speaker, namely to make sure that we will have more constitutional conferences to bring current laws and regulations up to date to give native people an opportunity to develop and manage their own affairs.

My third point, Mr. Speaker, has to do with information. Native people need to have more information and more training if they are to be looking after themselves. In that respect, the Department of Indian Affairs and Northern Development is to be commended for what it has accomplished over the past twenty years or so, but a lot of ground remains to be covered when it comes to information and training.

Anyone attending the various House committee sittings where Indian affairs are dealt with can see for himself that an increasing number of native people have become experts in many fields and that they are now quite capable of assuming administrative, social and civil responsibilities on behalf of their own people. We have seen it again in the Fort Chimo area since the signing of the James Bay Agreement. The Makivik corporation which has replaced the Department of Indian Affairs and Northern Development is now managing the assets granted under the James Bay Agreement.

In the Ungava Bay area, Air Inuit is now operated by the Inuit themselves. It is now necessary, Mr. Speaker, during the various constitutional conferences that we make sure that training and information are not only available but that means are taken to enable the young people, because there is not such a large native community and it is essential that a greater number of young people attend our schools, colleges and universities in order that these leaders may be in a position to engage in discussions on the same footing as their countrymen.

That is most important because even, if we have bills of any constitutional resolution entrenching those rights, it is essential that such rights be defined, considered and upheld by the native people themselves with the same degree of learning as those around them.

When we look at the negotiations carried on with the Indians, either the Montagnais, Naskapis or Dénés we cannot but see their cohort of white lawyers. And often when we have discussions directly with the first inhabitants of this country, we realize that finally their demands are quite simple but everything is tremendously complicated in the legal system with which we deal. I am not sure that those lawyers, either men or women, seek any speedy settlement of the native problem. I think that we should make sure that our young and older native people are trained to discuss directly with the white people, to actually deal on a personal basis by mutual agreement without having any inferiority complex, Mr. Speaker. This has often characterized our discussions with the native people. We had a superiority complex as white people and we were always dealing from a superior point of view with them so that our relations were thwarted from the beginning. Now if we want to maintain those relations, we will have to be at the same status level and have the name degree of learning. And this calls for information and training, Mr. Speaker.

There is a fourth aspect I would like to deal with, even though time is moving fast, and this is local geography. When travelling through the Manicouagan riding and across Canada with the Transport Committee and different other committees, I have always noted how much the native people have been able to shape this country with their culture, their traditions, their own characteristics. It is very important for the sake of the discussions that will take place and with the motion introduced by the Minister of Justice (Mr. MacGuigan), that native people be allowed a lot of room in this country. I am not certain that the current reserve system is the best formula. The native people themselves should be asked what they want in that respect, because reserves were established with the thought that they might be good to keep native people in one place. But the white man's traditions and ways of life were forced down their throats, and this has imposed upon them a culture that is not theirs.

Sure enough the native people who live in Caughnawaga or who can live in the Huron Village or in other places in Vancouver or in Alberta, those who have become city dwellers, may have adopted our style of living. But if we are to preserve the rights and the characteristics of the native people, if they really insist on protecting their traditions, their heritage and their sociology, we will have to ensure that the Canadian territory is available to all native people. This is very important. This does not mean that either they or we have to forego the rights or lifestyle that we share in common. It is simply a matter of having complementary ways of life. I am thinking here of the various rivers where they go fishing for salmon and other species, the hunting of various species of game. In my view, Mr. Speaker, it is an absolute anomaly that in this country we should have very restricted territories with an unbelievable number of licenses that a native must carry if he wants to do hunting, fishing or trapping for his livelihood. What the native people are asking us, and I remember two years ago the Montagnais from La Romaine were caught 300 miles north of La Romaine, in Labrador, and we had to send Canadian Forces' helicopters to get them out because of abnormal winter conditions, that is too little snow and bad seasonal temperature causing the game to get rather scarce, and indeed the Indians went short of food and they had to be flown down fast. Those Indian people are forced to comply with all kinds of regulations, to get all sorts of licenses to live as their ancestors did, and it is my view that within the constitutional talks that will start we should be very, very cautious to ensure that the native people have the freedom to lead lives of fulfillment as far as hunting, tradition, medical care and their crafts are concerned, and this is extremely important, Mr. Speaker.

I will conclude on this because my time is up, but I would simply commend once again the Government, the native people and the provinces who have now succeeded in agreeing to initiate complete discussions on the constitutional level, respecting the rights of native men and women. I commend the nine provinces who have already taken part in this initiative, but I hope that Quebec will follow suit and very soon. And I hope that these talks will lead to a better life for all native people which will serve the best interests of Canada as a whole, Mr. Speaker.

• (1740)

[*English*]

The Acting Speaker (Mr. Corbin): Order, please. The Chair should now see a Member to its left. However, I should inform the House that the Hon. Member for Wetaskiwin (Mr. Schellenberger) has already spoken in the debate. He may contribute additionally with unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Stan Schellenberger (Wetaskiwin): I appreciate the House giving me a few minutes, and I will take only a few minutes, Mr. Speaker. In my remarks I want to bring a few of the observations from the standing committee which received this resolution on Monday. We worked with it on Monday evening and through Tuesday. I think it is important, not only for this House but for the Senate, to recognize that the aboriginal groups want this resolution passed as quickly as possible.

I appreciated the remarks made by the Hon. Member for Kingston and the Islands (Miss MacDonald), the remarks made by the Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly) and the remarks made by the Hon. Member for Manicouagan (Mr. Maltais) on this Bill. I know

the Hon. Member for Manicouagan will be very interested in the report of the special committee on Indian self-government because that report will address many of the issues that he brought forward in the debate regarding the aboriginal people, the way that they relate to the people of Canada and to the Government of Canada. The protection of their lifestyle and culture is tied to a land base and that land base is very important to them. We will address that in our report.

I must say again that this Party and I approve of this resolution, the amendment to the Constitution. We want it passed with all haste. There are, however, some legitimate concerns that have been brought forward by Members of all Parties in this House and as well by various groups which appeared before the committee.

Let me quote the words of national chief Ahenikew who appeared before the standing committee on Monday night. I think his remarks really reflect some of the concerns that Members have regarding the process by which this amendment has been brought to the House. He said:

> If you stop to think of what is really happening here, Parliament has been put in a similar position to the Indians. You—

Meaning Parliament.

> —have a choice of rubber stamping an accord in which you have had minimum, if any, participation.

That is true. Members of Parliament have had very little participation in this whole process. In fact, we were not able to get any of the Government papers before the actual constitutional discussions were going on at the Conference Centre across the street. We had no idea what positions the national Government was taking to that conference. I hope in the future that can be amended. I know the various aboriginal groups were very forthcoming with their positions. They were putting them before Members of Parliament and before the country constantly. We really had no idea of the positions of a number of the Provinces and of the federal Government. What we, as Members of Parliament, are being asked to do today is, in fact, either to approve or to reject this process. If we amend it, we will have to go through the whole process again because the Provinces are involved in the amending process.

I agree completely with the statement which the National Chief put before the committee on Monday night. He went on to say:

• (1750)

> Or, you can refuse to do so and see the constitutional process fade out of existence. Parliament should have been involved in an overseer role, from the beginning, to see that the process which produced the Accord was just and equitable, and in which the first nations had a determining voice. The entire process to which we were subjected caused divisions among the first nations. We cannot afford to be divided. Those who decided not to participate in the constitutional talks were as concerned as those who did. We did not divide ourselves. It was the process that divided us. What happens this year cannot allow that division to continue. In that respect, I must emphasize to you that my wish that the resolution be approved should not be interpreted to mean that I approve the participation of the Provinces. Nor do I approve the process. Nor do I mean that the rights of those first nations that did not participate should be disregarded.

Basically the National Chief was saying that Indian, Inuit and Métis people are very concerned about the participation of the Provinces. They recognize that their rights flow through the Indian Act to the federal Government and, as a result, are very concerned that some of the rights they have attained could be passed off to the Provinces and their way of life could be lost. There is great concern regarding the process. They would far rather there be discussions between the aboriginal people and the federal Government and then the results of that discussion taken to the Provinces so that each and every party knows exactly the stands being taken before they go into a public forum with television cameras, the Premiers, the Prime Minister (Mr. Trudeau) and a number of officials.

It is very difficult when negotiations take place before the entire country and television cameras for people not to play to the country. Therefore, there is often a question as to whether true negotiation can take place in such a forum. Aboriginal groups brought this concern before the committee, as they were asked for their ideas.

Also there seemed to be lack of direction. The agenda was set and a great number of items were placed on it. The groups were not sure which item would be chosen for debate. This caused some difficulties. The term "aboriginal people" in a Canadian sense as well as in the world sense is one about which we have to be concerned because it does not distinguish one troup from another. The Constitution indicates that aboriginal people are Indian, Inuit and Métis. They are concerned that there may be an over-emphasis on one group as opposed to another and suggest that we ought to start identifying them individually rather than as a group, which makes sense.

The process in the past has been that various aboriginal groups deal with bureaucrats in ongoing discussions before they actually get into the forum of discussion with the Provinces and the Prime Minister. The various groups that appeared before us were very concerned about this process and hoped that they could have discussions directly with Ministers as well as with the various officials, although the officials on all sides play an important part in the process.

The Inuit who appeared before us felt that politicians should be more involved in the process than they were in the past. They made a very firm recommendation that there be more information and more involvement by various political Parties in and before the next constitutional conference. Again and again each group appeared before the committee and indicated their concern that they did not know what was the position of the federal Government; they did not know on which of the agenda items there would be concentration in the next constitutional conference. It is very easy for the federal and provincial Governments, with their officials, to prepare themselves for all agenda items and then, with the give and take of the conference to concentrate on the one which seems to be in order, the one the provincial Premiers and the Prime Minister wish to discuss.

Aboriginal groups are given specific funding by the Secretary of State (Mr. Joyal) to prepare themselves for all the

issues. They would much rather see us concentrate on one or the other. These are some of the concerns which were raised before the committee. I commend the House for it will be passing this resolution today. Also I commend the nine Provinces that will pass similar resolutions, and I am pleased that my Province of Alberta was the first one to deal with this.

In conclusion, I would like to place two more quotations on the record because I think they are very important. The first quotation is by the National Native Council and the second one is by the Inuit Council for National Issues. They both indicated to the committee that while there are difficulties with the process, such as some of the matters which I mentioned today, this resolution must pass and must pass quickly. The first is a quote from Mr. Smokey Bruyère who represents as well the Native Women's Association of Canada. He said:

> The statement that I am going to make is designed to express some very real anxieties that we, as aboriginal leaders, are hearing from our people. But these statements should not be interpreted or used by any Member of any Party to delay the passage of this critical Bill.

I think that remark was also directed to the attention of the Senate. The next statement which I will quote was made by the Inuit Council for National Issues before the Committee last night. It said:

> It is our understanding, however, that the equality provision is a priority agenda item for the next First Ministers' Conference and we realize that the only way to pursue this issue further is through the ongoing process. We would prefer to deal with the matter in this way rather than place in jeopardy passage of the resolution.

On being questioned they again said that they were pleased with the progress and with the section referring to land claims and they thought that the resolution ought to pass.

I thought it was important to have on record those statements by the four groups that appeared before us in the last day and a half so that all Parties of the House, the Government, its Ministers and the Senate will attempt to pass the resolution and take cognizance of the various problems of these groups with the process. I am very pleased to have been given an opportunity to speak again on the resolution. This is an historic debate because it is the first amendment to the Constitution, and there is no need to have it ratified by any other Parliament.

Mr. Caccia: Mr. Speaker, I rise on a point of order. There seems to be disposition for me to table certain documents, and I seek permission to do so.

The Acting Speaker (Mr. Corbin): Is there unanimous consent for the Hon. Minister to table certain documents?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

INTERNATIONAL LABOUR CONFERENCE

TABLING OF REPORT RESPECTING CANADIAN POSITION

Hon. Chas. L. Caccia (Minister of Labour): Mr. Speaker, I have the honour to table, in both official languages, copies of a report entitled, "Canadian Position with Respect to Conventions and Recommendations Adopted at the 66th and 67th Sessions of the International Labour Conference" held in Geneva in June 1980 and June 1981. In conformity with the new Standing Order, I suggest that the report be referred to the Standing Committee on Labour, Manpower and Immigration.

● (1800)

GOVERNMENT ORDERS

[*English*]

CONSTITUTION AMENDMENT PROCLAMATION, 1983

MOTION TO AMEND CONSTITUTION OF CANADA

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

That:

Whereas the Constitution Act, 1982 provides that 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 resolutions of the Senate and House of Commons and resolutions of the legislative assemblies as provided for in section 38 thereof;

And Whereas the Constitution of Canada, reflecting the country and Canadian society, continues to develop and strengthen the rights and freedoms that it guarantees;

And Whereas, after a gradual transition of Canada from colonial status to the status of an independent and sovereign state, Canadians have, as of April 17, 1982, full authority to amend their Constitution in Canada;

And Whereas historically and equitably it is fitting that the early exercise of that full authority should relate to the rights and freedoms of the first inhabitants of Canada, the aboriginal peoples;

Now Therefore the House of Commons resolves that His Excellency the Governor General be authorized to issue a proclamation under the Great Seal of Canada amending the Constitution of Canada as follows:

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

1. Paragraph 25(b) of the Constitution Act, 1982 is repealed and the following substituted therefor:

"(b) any rights or freedoms that now exist by way of land claims agreements or may be so acquired."

2. Section 35 of the Constitution Act, 1982 is amended by adding thereto the following subsections:

"(3) For greater certainty, in subsection (1) "treaty rights" includes rights that now exist by way of land claims agreements or may be so acquired.

(4) Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons".

3. The said Act is further amended by adding thereto, immediately after section 35 thereof, the following section:

"35.1 The government of Canada and the provincial governments are committed to the principle that, before any amendment is made to Class 24 of section 91 of the Constitution Act, 1867, to section 25 of this Act or to this Part,

(a) a constitutional conference that includes in its agenda an item relating to the proposed amendment, composed of the Prime Minister of Canada and the first ministers of the provinces, will be convened by the Prime Minister of Canada; and

(b) the Prime Minister of Canada will invite representatives of the aboriginal peoples of Canada to participate in the discussions on that item."

4. The said Act is further amended by adding thereto, immediately after section 37 thereof, the following Part:

"PART IV.1 CONSTITUTIONAL CONFERENCES

37.1 (1) In addition to the conference convened in March 1983, at least two constitutional conferences composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada, the first within three years after April 17, 1982 and the second within five years after that date.

(2) Each conference convened under subsection (1) shall have included in its agenda constitutional matters that directly affect the aboriginal peoples of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on those matters.

(3) The Prime Minister of Canada shall invite elected representatives of the government of the Yukon Territory and the Northwest Territories to participate in the discussion on any item on the agenda of a conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

(4) Nothing in this section shall be construed so as to derogate from subsection 35(1)."

5. The said Act is further amended by adding thereto, immediately after section 54 thereof, the following section:

"54.1 Part IV.1 and this section are repealed on April 18, 1987.

6. The said Act is further amended by adding thereto the following section:

"61. A reference to the Constitution Acts, 1867 to 1982 shall be deemed to include a reference to the Constitution Amendment Proclamation, 1983."

7. This Proclamation may be cited as the Constitution Amendment Proclamation, 1983.

Mr. Keith Penner (Cochrane-Superior): Mr. Speaker, in the closing moments of this debate, and I am very much aware of the cogent points that have been made with respect to this accord, I want to take a few moments of the time of the House to say, from the point of view of a Member of Parliament who was part of the federal delegation, a Member of Parliament who has for a number of years sat on the Standing Committee on Indian Affairs and Northern Development and who has since 1980 chaired that committee and is presently involved with his colleagues in sharing the task force on Indian self-government, what a proud moment it was for me to sit in the Conference Centre and see the process work in a most acceptable manner, leading to a satisfactory conclusion after only a few days.

It was less than a year since our Constitution was patriated when this meeting in March, 1983 was held. It was fitting that the Government of Canada should have chosen for the first constitutional amendment to deal with the aboriginal peoples of this country, the Indian, the Inuit and the Metis.

The true partners of Confederation were there: the Prime Minister of Canada (Mr. Trudeau), the Premiers of the Provinces, the Leaders of the Territorial Governments, the Leaders of the Indian peoples, the Inuit and the Metis. The proper, correct partners of Confederation were there. Although I agree with much of what has been said by my Hon. friends on the other side, I cannot agree that the process was incorrect. The process was the right one because the aboriginal peoples of this country know that the future for them lies by way of constitutional recognition, by way of constitutional guarantees.

I want to say also that the opening statement made by the Prime Minister at that conference was one of the most remarkable speeches on the subject of aboriginal peoples I have ever heard. I say it was remarkable because, although it was delivered by the Prime Minister, it was not just the product of his own thinking. It is true that Dr. Ahenikew on Tuesday evening lamented the fact that parliamentarians had not been as fully involved in the process as he would have liked. I must say I give Dr. Ahenikew full marks for his respect for Parliament.

The Prime Minister's speech was the product of a great deal of discussion which has gone on among parliamentarians, Inuit leaders, Indian leaders and the representatives of the Metis people. Thousands of hours of dialogue have taken place at the Indian Affairs Committee and at meetings with parliamentarians in their offices on the aspirations and the hopes of aboriginal peoples. Those many, many thousands of hours of discussions and honest exchange were reflected in the Prime Minister's statement. That is why I applaud this document. It does represent for me the participation of parliamentarians over a long period of time.

I said that I was proud, I sat as a member of the federal delegation at that first constitutional conference, but I want to be very clear about the basis of my pride. I was proud because the Government of Canada had agreed that this was going to be the first action that we would take now that the Constitution was fully in our control. I was proud of that. I was proud that this was a new beginning for the aboriginal peoples of Canada. However, as I saw the Indian leaders, the Inuit leaders and the Metis leaders, I was not proud at all of the besmirched past which had brought them to this point.

It is not necessary in this debate to go over all of that, but there is testimony in the thousands of pages of the proceedings of the Standing Committee and of the task force which I am presently chairing which tells just how dark and shameful is that past relationship between the Government of Canada and the aboriginal peoples of this country. It is not a relationship of which any of us can take any pride. Therefore I want to be very clear that I was proud because it was a new beginning. It was a start for a new relationship that is going to make the aboriginal peoples full and complete partners in Confederation.

In the opening paragraph the Prime Minister said we had a Constitution that still needs to define the place of our aboriginal peoples in Canadian society. This was only the beginning, but it was a beginning that will reject some of the totally unacceptable approaches of the past; the approach of what sometimes is termed assimilation or termination, an attempt to absorb aboriginal peoples into the mainstream of Canadian society and cause them to lose their identity and distinctiveness. The statement categorically rejects that approach. We know that in the past this has been tried by a variety of means.

The opening statement also rejected the possibility that we could have in this country complete, total sovereign enclaves existing in isolation from the rest of the country. That, of course, is not realistic, and it offers no real hope for aboriginal peoples. The real hope is to become full and complete partners in Confederation. Therefore, the Prime Minister indicated that it was something between assimilation on the one hand, which had to be totally rejected, and something else on the other hand which has been described as sovereignty and which has no basis in realism. It is looking at the world through rose-coloured glasses.

To allow the aboriginal peoples to become full partners in Confederation also means that there will be an end to the paternalistic approach to these people, as if their affairs need to be managed by someone else; that there needs to be an entire department of well-meaning people who are going to be sure that Indian people are not alienated from their land; to be sure that Indian people are going to be able to look after their capital trust funds and that they will be doled out in amounts they will be able to manage, that we will not actively encourage independence by way of economic development—how much better it is to dole out small amounts of money and keep a half million people or more dependent upon the Government of Canada through social assistance. To become full partners in Confederation means the end of all of that. It means a new beginning.

The Prime Minister went on to say very clearly in his statement, reflecting what parliamentarians have been hearing for a long time, that the heart of the matter is to come to that moment in the constitutional discussions within the next few years when we will recognize the right of aboriginal peoples, Indians, Inuit and Metis, to manage their own affairs.

The task force hopes to define for Parliament and explain to the people of Canada exactly what Indian self-government means. We do emphasize that it means above all that they are going to be part and parcel of the Canadian Confederation. They are going to participate in it along with the Premiers, the leaders of the Territorial Governments, the Prime Minister and the Minister of Justice at conferences which are going to define and describe their future.

• (1810)

I want to emphasize, Mr. Speaker, that it will not be enough as we forge ahead toward that definition based on this very admirable Accord, an Accord which is just a beginning. I compliment the Minister of Justice (Mr. MacGuigan), and I share the sentiment of all the other Members of the House who have praised him for his good work at that conference, but it is a beginning. The next step must be the recognition of aboriginal peoples' ability to manage their own affairs. Along with that, Sir, must go the economic wherewithal to manage their own affairs.

Under Section 36, Parts I and II of the Constitution, we have provided for the Provinces the economic base to manage their own affairs within the jurisdiction assigned to them. That same step, Mr. Speaker, must be taken when we recognize Indian self-government. To simply recognize it and let it lie there as a constitutional right and to allow the present arrangement, relationship and dependency to be perpetuated will not be satisfactory. We must follow the example set by the agreement we have with the Provinces by saying: "We recognize you, we will negotiate your jurisdiction and we will provide you with the economic wherewithal so that you can realize your own destiny, so that you can establish your own priorities and so that you can give the leadership to your people that you have always wanted to give but that has been frustrated for hundreds of years because of the domination of one level of Government over your governments."

I conclude, Mr. Speaker, by simply saying that I think we have made a remarkable and amazing beginning and I applaud and commend the Minister of Justice and the Government of Canada for setting us off on the right road. I look forward to seeing where this process will lead us in the next decade and beyond.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I will not keep the debate going for very much longer, but as the representative of the Sarcee, Stony and Blackfoot reserves I do want to make one or two comments on this historic occasion.

As so many Members have said, this is the beginning, and that is really all that it is. It is the beginning of negotiations. I would like to make some suggestions in regard to the continuation of these negotiations.

When I was with the Department of Highways in Alberta, I had the responsibility of negotiating with the Stony Indians for a right-of-way for the TransCanada Highway through their reserve. I spent many, many hours listening to the elderly chiefs in the band councils. One of the things that sticks in my mind is that time and time again the elderly chiefs outlined, sometimes in their own language which was interpreted and sometimes in good English, how the white man had deceived them. That was the biggest obstacle we had to overcome. They had learned to disbelieve white men because they had been deceived so many times.

I would like to suggest to those who do the negotiating now that we must be honest with our Indian friends, we must be honest with our Metis friends and we must be honest with our Inuit friends. There has been too much deceit on the part of white man in order to take advantage of these people. I believe that should be the base upon which we start to build a new relationship with native people of the country.

I remember one chief who must have been 90 years old. He had a tremendous memory. I think they called him Chief Buffalo Robe. He was a very religious man who was converted

by the MacDougalls in the early days. He lived a wonderful life, but one of the things that irked him most was the fact that the white men always talked down their noses to him. He was never accepted as an equal. We must realize that Indian, Metis and Inuits, each with their own cultures, were created by the same God who created us. They bleed when they are pricked as we do. Their women cry when their children die as our women do. We must treat them as equals.

We must recognize their cultures. We should not be trying to make white men of them. We have a culture of which we are proud and have every reason to be proud. I think we should develop our culture, but let us also recognize that the Indian people have a culture as well, a culture that is older than ours. Part of our culture is intertwined with the Indian culture. The Metis people have a culture, a culture that came from Scotland, Ireland, England, France and China along with the Indian culture. Those marriages that brought the Metis into the world had a culture of their own as well. Metis people are not to be considered vagabonds or illegitimates. They must be considered as men and women and recognized as equals. They have the desire to live as we do, to live well.

I would like to speak for a moment about self-government. I see that I only have three more minutes to do so. Our self-government should be an example to the Indian people. When Government Ministers refuse week after week to meet a delegation of Indian people, that does not set a very good example. When the Government refuses to unfreeze the capital moneys, so that Indians have to go out and borrow money to be paid back out of their grants, that is not something of which we can be very proud. When we give money in the form of grants to the Indians, as we did in October for a sewage system and then wonder why the money is wasted, the Indians lose respect for our way of Government.

Yes, I do believe in self-government for Indians, but it should not be imposed upon them. Let them accept it. Let them develop their own particular brand of Government. I must say that when I visit band councils I am amazed by the wisdom of the men and women. There are both men and women on band councils, but my heart bleeds when I see Indian children half-fed and half-clothed, when I see 27 of them in one house which should only accommodate five or six, when I see the standard of living we have subjected them to by closing them off and treating them as unequals. Then I go to our prisons and find that the greater percentage of the prisoners are Indians, many there for trivial matters. I pay tribute to Chester Cunningham of Edmonton, an Indian himself, who is trying to get Indians a proper deal in the courts by helping them to understand what is right and wrong and not trying to shove them into jails for trivial matters. If they do some great wrong, certainly they expect to be punished, but certainly the great percentage of them should not be there.

I welcome these negotiations as well, and I hope this will be a new day with a new, honest approach to Indians, Inuits and Metis people.

[*Translation*]

The Acting Speaker (Mr. Corbin): Order, please. It being 6:19 p.m., pursuant to the agreement reached earlier today and the order made Thursday, June 23, 1983, it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of the motion now before the House.

Motion (Mr. MacGuigan) agreed to.

* * *

• (1820)

[*English*]

GOVERNMENT ORGANIZATION ACT, 1983

MEASURE TO ESTABLISH

The House resumed from Wednesday, June 22, 1983, consideration of the motion of Mr. Trudeau that Bill C-152, an Act Respecting the Organization of the Government of Canada and matters related or incidental thereto, be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, for some time I have been very interested in the Bill we are dealing with today with respect to the DREE program.

The Department of Regional Economic Expansion was created in 1969 to combat regional disparities in Canada. A 1972 review of its policy showed that its programs were often limited in scope and focused on isolated problems. This led to the decentralization of the Department in 1973-74 and the signing of the general development agreements with the Provinces. These agreements provided for the federal-provincial cost sharing agreements which have worked since then.

When this Department was created, I had great hopes that it would be of assistance to areas such as my riding of Victoria-Haliburton. As the years have progressed I lost all hope of that. Consistently, when businessmen in my constituency have come to me for assistance I have gone to bat for them. I have had some successes in getting them sources of funding, but never from the regional and economic expansion program.

Last Fall, I approached the Minister of Industry, Trade and Commerce (Mr. Lumley)—and I remind the House that the legal name for that Department is still Industry, Trade and Commerce—to help a promising constituent firm and representatives from local councils. The response I got was that there was no use even asking for a meeting with Department officials as Victoria-Halburton was not considered to be a designated area. The Minister told me that his hands were tied and that there was no use whatsoever in even discussing the matter. I must admit that my opinion of DREE was not enhanced by that experience.

It is very difficult to tell eager businessmen that even though the unemployment rate in our area is 14.4 per cent, a full three points above the provincial average, the federal Government

does not consider us as a priority area for assistance. I could enlarge upon that but there is no point in naming other ridings now. Similarly, I have had to tell many older employees, laid off due to technological change, that even though their entire plant has closed they are not eligible for benefits under the Industry and Labour Adjustment Program. They are not eligible because Victoria-Haliburton is not a designated area.

This area was settled as a rural agriculture and logging area. From the beginning, immigrants from many lands have seen it as an area of vast resources and challenges. It quickly became a mirror of rural Canada. Considerable foresight on behalf of our residents resulted in the creation of industries subsidiary to the agriculture and forest industries. They realized that diversification was necessary to maintain a stable economy. Now Lindsay, the largest community in the area, boasts many small businesses and the very fine campus of Sir Sandford Fleming College. Our students may remain in the area to complete their education. I am very proud of the progress we have made, yet we have retained the caring nature in the community which is characteristic of most of Canada's mixed rural and urban constituencies. This is why I have been so disappointed in the responses I have been given in the past by DREE officials.

The community wants to be productive and vital. Our students do not wish to be forced to find work outside the community because there is no incentive to local businesses to hire them. Businessmen want to continue to compete with their peers in other constituencies.

One good example is a local firm which bid on a contract to manufacture fish traps. It made a bid on a Government contract. The Department of Supply and Services chose another applicant it said had considerably underbid the local firm. That is fair ball if everything else is equal. However, deeper investigation showed that the firm that won the contract is in a constituency which is designated under DREE. In fact, the firm had originally been set up with the assistance of the Government and its transportation costs continue to be subsidized. The local firm would have had to absorb all transportation costs to compete. Thus, it lost the contract because it did not have the same availability of Government subsidization.

I hope the new Minister of Industrial and Regional Development will eliminate this kind of discrimination. I have been very pleased with the way he has conducted things so far.

The Bill will give most people an opportunity to apply for assistance at one level or another under this program. As I said in committee yesterday, I have seen more constructive policy come from this Minister than any other in my experience, regardless of which Government was represented.

I think one of the new Ministers in charge of this program has shown great promise for constituencies such as mine. When I drive home through another constituency that probably has a rate of unemployment no higher, or perhaps as high as my constituency, and see beautiful buildings going up while my people are denied the same thing I am somewhat irritated. With the reorganization of the Department and the tier system, I hope that constituencies such as mine will have greater opportunities. I look for great things from the Minister in charge of the Department.

The Government agreed to consider each of these objectives in a separate Bill. Bill C-152 was drawn up to deal with the reorganization of the Departments of Regional and Economic Expansion, Industry, Trade and Commerce and External Affairs and Parliamentary Secretaries. The Government then proceeded to implement the changes in Department structure. It did this despite the fact that it did not bring the Bill back for second reading until May 27, 1983. It proceeded without legislative authority, and without consultation with the Provinces; it simply ignored these two key elements of the process.

The announcement in this House on Monday by the Minister of Industry, Trade and Commerce that most of my constituency, as well as others, would benefit from the highest enrichment levels of anywhere in Ontario was encouraging. I have always respected this Minister for his honesty and dedication, and I was not surprised to note yesterday that indeed three of the five census divisions in my constituency will be at tier three level. Naturally, I would prefer to have all regions above Tier 1 level. I do understand however from the committee meetings yesterday that even Tier 1 areas will be available for the ILAP program which may be of some additional benefit.

• (1830)

Initially, I had some skepticism about the development index. I had prepared a speech in which I dealt with the possible inequities that could be created by using the census data. In the past, programs based on such statistics have ignored the chronically unemployed, those who stopped looking for work, and students who did not try to find work because they knew none was available. This year's Summer Canada Program was a prime example. In Victoria-Haliburton, only $4,000 was added to last summer's allocation due to the use of the student surplus rate. Upon the publication of yesterday's list of allocations, I am prepared to forgo these objections. At first glance it does appear that the index may be fair and equitable, as the Minister stated on Monday.

It still concerns me a little that all the Tier 4 areas are in Quebec and the Maritimes, but perhaps it is asking a lot to pick out specific trouble spots in the other Provinces and exclude the rest. I believe the Minister has made every effort to make these allocations equitable.

Let me tell you a little bit more about the constituency of Victoria-Haliburton. Those who have never been there do not know what they are missing. Tourists flock to our lakes and campgrounds in the summer and winter. It is known in Toronto as "cottage country", a haven for tourists and city dwellers alike. That is why I get so perturbed when the Government promotes policies which discourage the tourist trade. The national energy plan was a disaster to the industry and the Government's failure to prevent price gouging by oil companies is further hurting tourism.

As a Member of our caucus committee on tourism, I have mixed emotions about the inclusion of tourism in the duties of the Minister of Regional Economic Expansion. We have been asking for sometime now for the creation of a separate and independent minister of tourism. I hope that the inclusion of responsibility for tourism and small business in the duties of the Minister of Regional Economic Expansion will result in an increased onus on these two vital sectors. It will be wrong if it only applies to the Tier 3 and Tier 4 funding level constituencies. This will make for two classes of tourist and small business facilities. The goal should be a much higher level of equal support for all.

Bill C-152 will add four more parliamentary secretaries and expand eligibility to include Senators. As I look across at the Government benches I can see why this Government needs more parliamentary secretaries. It needs a plum to give to more backbenchers to keep them from crossing the floor. What I cannot understand is why Government thinks it needs Senators as parliamentary secretaries. Surely it is difficult enough now for the Opposition to force a Minister to answer a question. Is this an attempt to ensure that even the parliamentary secretary is not accessible? Or, is there some plan to move an MP to the Senate with the promise of the additional staff and salary of a parliamentary secretary?

Finally, Mr. Speaker, I would like to again congratulate the Minister, and his Department officials. I feel they have done a real good job. I believe he is one Minister who will deal with this Bill with fairness and justice. As a Member of the committee, I certainly wish him well.

Mr. Pinard: Mr. Speaker, I understand that by speaking I will wrap up the debate. We need unanimous consent.

Mr. Forrestall: Mr. Speaker, I understood that we were awaiting word from another place, and that that is about to happen. I would like to participate in this debate very briefly.

The Acting Speaker (Mr. Blaker): Order. I would like to determine whether or not the President of the Privy Council (Mr. Pinard) has indeed spoken in this debate.

Mr. Forrestall: Yes, he has.

Mr. Pinard: I moved the motion.

The Acting Speaker (Mr. Blaker): In that case, should the Chair recognize the President of the Privy Council that would end debate. I will recognize the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall).

Mr. J. M. Forrestall (Dartmouth-Halifax East): Thank you, Mr. Speaker. I will be relatively brief. I understand the difficulty of the Government House Leader during the last two or three days. I understand his anxiety to remove himself, if not all of us, from this Chamber. As I understand, this will be the last matter before us, other than matters which might arise from the other place.

Before we do in fact depart from here for the summer, there are one or two points with respect to this Bill which I believe have to be made. They relate to the fact that in the beginning it was recognized and has been succeedingly recognized by the Leaders of all Parties and all of our institutional groups, that in fact disparity is a major problem in our diverse, geographical and cultural community. In fact, Governments have a real responsibility to address these disparities with meaningful programs.

My colleague, the Hon. Member for Victoria-Haliburton (Mr. Scott), has had this problem for 15 to 20 years in his part of Ontario which is suffering marginally. It has never been able to claim any of the benefits under any of these programs which flow directly from promises by Governments to rid this nation of disparity between the regions of our country. We have now an attempt to spread the program to all regions of the country, tiered as it is. Some regions will receive more, but the Government can still claim, as it has that in fact some regions will be entitled to greater levels of assistance than other regions. The fact remains, however, that all regions of this nation now in fact can turn to a singular program as opposed to four or five programs, and can in fact qualify and take advantage of that program.

That is not why I rise to intervene at this time. I do not intervene for that purpose at all. I intervene to remind a sick and lazy Government that it has abandoned its cause with respect to disparity in this country. I want to remind it forcefully that it has done that. If it thinks for one minute that this is a great measure, a great piece of legislation, let me say that in spite of the fact this Government has been consistently in office and in power since 1963 under a couple of Leaders, both of whom have vowed their allegiance to ridding this nation of disparity, this Government does not give a damn about disparity. This afternoon in this House it went to the porkbarrel. It reserved for Davey, for Dome Petroleum, for Jack Gallagher, and for whoever owns the shipyard, $650 million worth of work—reserved without tender. Everyone else was cut off. Who over there is going to stand up and tell CN to put its ships and ferries into the Halifax shipyards? I suggest no one.

• (1840)

I want to make two or three observations with respect to disparity. It is the responsibility of all the Members of this Chamber to address themselves to the question of national disparity, disparity between the regions. It is not our responsibility to talk about it, but to do something about it. If this particular Bill—Good afternoon, Mr. Minister, nice to see you here. I would smile too if I got $4.5 billion worth of work this afternoon.

I have some tables, Mr. Speaker, showing examples of the approximate increase. These are fairly accurate, but published tariffs never accurately reflect the cost of moving a given product. A tariff is one thing, but an individual arrangement between a producer and trucker is something else. Let me tell you what the Maritime Transportation Commission in the Atlantic Provinces says with respect to the movement by this

Government which will simply never let the left hand know what the right hand is doing.

The Government moves to this great universal program and does it at exactly the same time it is reviewing, with a view to eliminating, the Maritime Freight Rates Act and the Atlantic Region Freight Rates Assistance Act. A manufacturer in St. John's, Newfoundland, will pay 26.4 per cent more to move his competitive product into Montreal; 24.9 per cent to Ottawa; 22.3 per cent to Toronto. Because of economies of scale the further he goes the cheaper it is, and he will wind up paying only about 10 per cent more to get it into Vancouver. His market is in Montreal, Toronto, in the heartland where the buyers are. These figures are on the basis of the removal of the basic 30 per cent subsidy, which in fact is already a reduction in the carrier's published rates. There is no relationship whatsoever to what in fact is charged or what in fact it costs.

The shipper will pay 24.6 per cent more to ship from Yarmouth, Nova Scotia, to Montreal; to Ottawa, 22.5 per cent; to Toronto, 19.3 per cent. And so it goes across the country, reducing to about 8 per cent to get to Vancouver. You have, for example, in my own metropolitan urban area of Halifax, a 22.9 per cent increase in the cost of every manufactured product we have to send to the central market in order to survive. That is what we are going to achieve. I have the figures here and my friend from the north shore of the river knows it.

Mr. Breau: Baie Comeau.

Mr. Forrestall: Baie Comeau.

Mr. Maltais: Where Mulroney will not run.

Mr. Forrestall: Brian Mulroney will run in Baie Comeau and my friend will welcome it because he will go to the Senate. He is not worried about it.

I have more figures, Mr. Speaker. It will be 26.4 per cent more from St. John's, Newfoundland; 25 per cent from Corner Brook; 24.6 per cent from Yarmouth; Sydney, 24 per cent; Halifax, 22.9 per cent; Charlottetown, 22.5 per cent; Moncton, 21 per cent; Bathurst, 20 per cent; Edmundston, 15 per cent.

I will tell you what are the figures resulting from the removal of the basic 30 per cent and the additional 20 per cent subsidy on selected commodities which applies as a reduction from the carrier's published tariffs. Let someone over there tell me what the relationship between the right hand of Government and the left hand is.

When you include both the selected commodity rate and the MFRA rate, from St. John's, Newfoundland it is 26.4 per cent under the basic rate; 53.4 per cent when you include both; from Corner Brook it is 50.5 per cent; from Yarmouth, Nova Scotia, 49 per cent; from Sydney, 47.6 per cent; from Halifax, 45.1 per cent; from Charlottetown, 44.1 per cent; from Moncton, 40.3 per cent; from Bathurst, 38.4 per cent; and from Edmundston, 27.8 per cent. That is just into Montreal. What manufacturer, processor or producer can afford that kind of impact? Does the Government not communicate from department to department? Is it not clear that while there are enormous benefits to be gained for this nation in what is proposed, in fact you are allowing another branch of Government to undermine all of that good?

We do not have a lot of time left today, Mr. Speaker, and I am not at all that certain about how interested most Members are, but I want to very quickly go through some selected comments with respect to the impact of the Government's proposed action with respect to the MFRA.

The Atlantic Provinces Chamber of Commerce urged retention and strengthening of the program. The source for that was their annual meeting in Digby, Nova Scotia, on May 30, 1983, according to the *Telegraph-Journal* and *Chronicle-Herald* of June 1. Atlantic Canada Plus, one of our successful programs, said:

> Any reduction in freight subsidies will have severe repercussions on business here. Withdrawing the subsidies is then one of the most ill-conceived blows against Atlantic industry.

That was a statement by Harvey Webber, the president, as reported in several newspapers in late May of this year.

The Canadian Manufacturer's Association passed a resolution urging the federal Minister of Transport (Mr. Pepin) to guarantee the intent of the subsidy program, and that additional assistance be provided, if necessary, to meet the intent of the program. That was reported in a number of newspapers.

The Maritime Lumber Bureau passed a resolution urging retention and expansion of assistance programs.

The Annapolis Valley Affiliated Boards of Trade have stated they support efforts:

> —to hold off any reduction in transportation subsidies paid to Atlantic area businessmen to help them compete.

The New Brunswick Federation of Labour said:

> —more plant closures will follow elimination of the transport assistance programs.

The Pictou County Research and Development Commission

> Many of our local industries may not be able to absorb the higher costs if the complete removal of these subsidies is implemented which will result in higher transportation costs—

That was from a statement by Bill MacCulloch, executive director, as reported in the *Chronicle-Herald* of May 3, and also June 7, 1983. Yes, shrug your shoulders. It does not matter a damn to you, does it, my friend from the St. Lawrence River? Not a damn.

The Maritime Farmers Council—laugh at them Minister, if you will—passed a resolution urging that the assistance program be retained and strengthened.

The Voluntary Planning organization said:

> —companies would have a tough time operating and probably find it was more advantageous to shut down.

Is that what you want to do, get rid of jobs?

• (1850)

The resolution of the Canadian Industrial Traffic League, Atlantic division, was as follows:

The elimination of the subsidy will probably mean the closure of many Atlantic area companies which have been established as a result of this and other Government funds that are made available to make all regions equally competitive in the national marketplace.

The statement of the Chairman of the Atlantic Provinces Transportation Commission was as follows:

A reduction or elimination of westbound freight subsidies could be critical to the existence of Atlantic area companies trying to compete in major Canadian markets.

That is our problem.

As reported in the *Telegraph Journal* of May 20, 1983, T.S. Simms, Jr., of T.S. Simms and Co. Ltd., stated:

Review of the subsidy program is " . . . a serious threat to the economic health of the region. On the one hand, the federal Government says it is interested in promoting economic development and creating (a) good environment for business and then on the other hand they initiate this kind of review."

The M.W. Graves Company is internationally known. Its President stated:

The M.W. Graves could not survive the loss of the federal freight assistance program and would be forced to move its Nova Scotia operations to Central Canada if Ottawa opts to do away with the transportation subsidy.

How is the Government to answer that one? What does it have to say? Yet it goes with it.

As reported in the *Telegraph-Journal* of June 10, 1983, the Marketing Services Director of Atlantic Sugar stated:

If the federal Government lifts the transportation subsidies, "the future of the Saint John plant would be in jeopardy".

Campbell and Burns stated:

The removal of the federal transportation subsidy would mean industries in (P.E.I.) Province could no longer compete for business outside the Maritimes.

The President of Ganong Bros. Ltd. stated:

The cost to Ganong Bros. Ltd. if Atlantic freight subsidies are lifted will be substantial. But the greater, long-term costs will be felt provincially and regionally and will mean the loss of Maritime jobs.

Mervyn Dickie of Crossley Karastan Carpets stated:

—oppose any change in the freight rate subsidy. With suppliers next door, Ontario manufacturers have a definite edge while Atlantic firms must bear the transport costs of bringing raw materials in and shipping the manufactured product west.

Lock-Wood Ltd. is a substantial company which has gone to great pains to try to develop industry in Atlantic Canada. This is its position as reported in the *Telegraph-Journal* of June 10, 1983:

The Maritime freight subsidies are important to (Lockwood's) business. Removal of the subsidy would make it more difficult to send goods at a competitive price. But even with the subsidies, the company is still facing higher transport costs than its Quebec competitor.

This refers to its Quebec competitor with regard to certain of its specialized markets. The report continues with a statement by its sales manager as follows:

Reduction or removal of the westbound subsidy threatens competitiveness in Ontario and Quebec markets. While interested in further expansion, "we may have to make some hard choices. We might have to locate outside the Atlantic region. The choice is very real . . . not knowing what is going to happen . . . means people have to put plans aside".

Over the last two or three days there have been indications of several millions of dollars in plant expansion with the probability or likelihood of new job creation plans being put aside while the Government contemplates what it will do with respect to MFRA, and it is a fait accompli, a foregone conclusion.

I remind the Government that this summer it will hear from Atlantic Canada, from Members of its own Party who are from Atlantic Canada, I would suggest even the Ministers, with respect to the hardships that will be imposed on Atlantic industry if the Government tinkers with MFRA and the intraregional subsidy program. The intent of that was not to subsidize or distort the marketplace but, rather, to encourage the location in Atlantic Canada of industries so that they might compete in our limited marketplace here in Central Canada. If the Government carries out its intention of eliminating these grants, these subsidies, it will make it even more difficult for those industries in Atlantic Canada which look offshore for their markets. The Government must remember that we must bring into our region the raw materials for processing for re-exportation. The Government speaks blandly and wonderfully. I welcome the program. It helps friends. It helps people across this country.

The Hon. Member for Victoria-Haliburton (Mr. Scott) has just told us of the difficulty he has had over a long period of time. I am saying to this Chamber that we have a responsibility as parliamentarians, especially those who are Government Members, not to bury the question of regional disparity under a motion and a Bill that, in fact, is not a bad move. We welcome the move. However, I remind the Government: do not ever let the right hand, through a Bill like this, forget or not know what the left hand through other motions or other movements, is in fact doing.

If the President of the Privy Council (Mr. Pinard) now wants to go home for his summer vacation, as far as I am concerned, he can rise. However, I admonish him with respect to this matter. His friends from the North Shore and from the Gaspé region are affected. The Minister of Fisheries and Oceans (Mr. De Bané) knows well the impact this will have on Atlantic Canada. I am happy that the Minister has not intervened in the sense that the Bill is probably a good Bill, nationally. However, I will try to extract a promise from him and other Ministers, and I pray to them not to overlook the question of intraregional disparity in this country, or we will never have the kind of national unity that is born of goodwill, born of the belief that we live and prosper in Canada, equal to all with respect to opportunity. Please be aware; please act to ensure that while the Government puts a good program into place it does not allow, by the other hand, another act of Government to undermine it.

The Acting Speaker (Mr. Blaker): Questions or comments?

[*Translation*]

Mr. Herb Breau (Gloucester): Mr. Speaker, I am very pleased to be taking part in the debate on Bill C-152, an Act respecting the organization of the Government of Canada and matters related or incidental thereto. My comments will be mainly concerned with Part II and Part III of the Bill, and

Schedule II, which appears on page 21. My reason for doing so is that these particular parts are specifically concerned with the issue of regional economic development and federal structures in that area. There is also the matter of the political will, at the federal level, to deal with development issues in general, whether we are talking about development requirements in areas under federal, provincial or even municipal jurisdiction.

Since 1969 and even before then, when a start was made with the ARDA and FRED agreements and these development tools were first introduced, the federal Government expressed its intention to analyze the general economic situation in certain regions and to identify regional problems and needs, to see how government aid, whether federal or provincial, could be used to maximize regional resources and to create projects to deal with the situation in disadvantaged regions. Industrial development is one thing, but regional development is a different thing altogether. Industrial development means that we want to promote industries existing in certain regions. Some examples are mining, forestry and fisheries. Industrial development means that we are going to take a look at an industry that is typical of a given region, and see what we can do to improve it. Regional development however, is directly concerned with the general situation in a region, and the purpose is to change that situation. Such changes may sometimes be unfavourable to a given industrial sector or policy, because, as I said earlier, they are aimed at improving the general situation in the region.

• (1900)

Mr. Speaker, especially since 1969, the federal Government has somewhat modified its policy. Instead of the ARDA and FRED agreements we had had since 1965 or 1966, and even before then, maybe as early as 1964, a decision was made to create a department, namely the Department of Regional Economic Expansion. It would have its own budget like other federal Departments and would conclude agreements with the Provinces on economic development and would also administer legislation on industrial incentives. The latter can be done without consulting with the Provinces, because it consists in providing assistance to individuals or businesses.

Thus, the Department of Regional Economic Expansion had two functions.

Part of the Bill refers to agreements with the Provinces. Obviously, it was essential to enter into agreements with the Provinces, because in order to promote regional development, it is necessary to explore all possibilities, especially in the less well-off or smaller provinces. We cannot say: This should be done by the federal Government and that should be done by the provincial Government, and let both parties do their share. It is absolutely necessary to make use of all the resources available at various government levels through development agreements. That is what the Department of Regional Economic Expansion was trying to do in connection with its responsibility for regional development.

Today, we have a Bill that is supposed to change this Department by amalgamating the section responsible for industrial assistance with the Department of Industry, Trade and Commerce. As far as this aspect of the Bill is concerned, I am entirely in favour of the proposal. I think it is an improvement. There is or was no valid reason, at least after DREE had been in existence for ten years, to have parts of the Department of Industry, Trade and Commerce that were responsible for industrial development competing with the Department of Regional Economic Expansion which dealt with regional interests. I think it is far better to put those parts of the Department of Industry, Trade and Commerce that could be called the vertical parts of industrial sectors together with DREE, in order to give the Department of Industry, Trade and Commerce a better awareness of regional needs. So that part is an improvement. There is also the other part which deals with agreements under which investments could be made in various infrastructures, such as roads, industrial parks and municipal developments in certain cities. In other words, under those agreements, we could do everything that governments should do, and it made no difference whether the need came under federal or provincial jurisdiction.

Of course, the general development agreements signed since 1974 are not affected by this Bill, since they did not come under the statute which established the Department of Regional Economic Expansion. The agreements are therefore still in force and the Government has said that it will renegotiate them with the provinces when they expire. However, there are some concerns about this aspect of the Government reorganization. Of course, reorganization is already a fact from an administrative point of view, even though the Bill has not been passed. There are some concerns, and I know that several of my colleagues from the Atlantic provinces on this side of the House, as well as some Members on the other side and many provincial Premiers, Ministers and MLAs also believe that it will be a good thing to have, at the federal level, a Ministry of State for Economic Development which, instead of acting like a Department, will act as a secretariat and try to make all federal economic departments aware of the problems so that federal agencies in various regions will be better co-ordinated. There are co-ordinators in each province who are working on this. I have no objection to the Federal Government trying to promote better co-ordination among economic departments, that is the Department of Transport, the Department of Fisheries and Oceans, the new Department of Regional Industrial Expansion, the Department of Agriculture, the Department of Energy, Mines and Resources, and so on. I have nothing against that, quite the opposite.

I am happy to see that one of the benefits of this reorganization will be that a secretariat or group within the Federal

Government will try to bring about a better co-ordination of federal efforts. That is fine.

I admit that the old system was far from perfect, but one of its advantages was that the Department of Regional Economic Expansion had the duty and the responsibility to carry out, on an on-going basis, analyses of regional economic needs and of existing opportunities, and kept in touch with the industrial boards, the provincial Governments, and in some cases the Federal Departments, but, most important, a Minister was responsible under the Act to deal specifically with these matters and to ensure that his Department would focus its attention on the needs of certain regions. This can continue with the reorganization under the Ministry of State for Economic Development. However, I have examined very closely the administrative organization of the new Ministry of State, and I doubt that it will have the necessary administrative resources in the provinces and here in Ottawa to ensure the same degree of attention by the Federal Government to the needs of those regions which, in some cases, have been slow to develop since Confederation. Although federal agencies will be more centralized, I doubt there will be the same focus on regional requirements in areas where it is not directly a federal concern and where it is not up to a single federal department to help when there is a need for every available government resource at the provincial, municipal and federal levels.

Mr. Speaker, I am from a riding that is affected by slow growth, a riding where we have always had chronic unemployment and where the economic situation is not only a historical reality but is also related to the region itself. It does have certain natural advantages, but there are also certain disadvantages because we are far from the major markets. We have no large urban centers, so there is practically no local market, and everything we produce has to be exported to the United States or Central Canada, Europe or Japan. As far as Europe and the United States are concerned, in some cases it is an advantage to be near the ocean, and we are, of course, only 100 miles from the U.S. border and the very rich Atlantic Seaboard market. However, as a member of Parliament representing such a region, I am concerned about the situation and I shall follow very closely the committee proceedings on this Bill when the officials will appear before it, or the Minister of what will now be called the Ministry of State for Economic Development, in order to determine whether this new Ministry, which I like to call a secretariat, will really have the administrative resources required to deal with what used to be the second part of the responsibilities of the Department of Regional Economic Expansion, in other words the promotion of regional development. We have never spent that much time discussing and defining the precise meaning of regional development.

I shall therefore follow closely committee proceedings. In summary, I support this Bill because, as I said earlier, there are some benefits in ensuring a better co-ordination among Federal Departments. It is also an advantage to merge the services of the Department of Industry, Trade and Commerce which provide assistance and analysis of industrial sectors with their counterparts in DREE. As I was saying, this will improve the services provided by this Department and make it more aware of industrial adjustments and regional needs. It will a big improvement. As for the general matter of infrastructures, economic analysis and regional needs, and especially infrastructures such as roads in the case of my region, for instance, if we want to develop our tourism industry, it will be essential to get the municipal and provincial governments to agree on a comprehensive approach to regional development needs. That aspect of the Department of Regional Economic Expansion was most worthwhile and I repeat, Mr. Speaker, that there is a lot of concern about this issue. Several Members of the Atlantic Liberal causus are concerned about this issue even though they generally support the changes because they will be beneficial.

• (1910)

[*English*]

We are going to look very carefully when this Bill is before the Committee. We are going to see the new MSERD as it would be called, under the jurisdiction of the Minister of State for Regional and Economic Development (Mr. Lumley), together with the new co-ordinators in the Provinces and the extent to which they will have the administrative capacity to carry out economic analyses and to get involved with the Provinces and municipalities in identifying opportunities and projects on a continuing basis. While there were things wrong with that aspect of DREE, I think in some cases that aspect of DREE had become—I hate to use the words—a little fat, and I believe a lot of federal officials along with provincial officials were acting as a government within a government. To some extent that is okay and it is advantageous. But I do not deny that there was a need to streamline and weed out what is going on in that part of the bureaucracy

That aspect of reorganization is good. But the approach of the Government in the reorganization of development agencies reflects a difficulty we have in this country in dealing among Governments. The whole question of federal-provincial co-operation and federal-provincial relations concerns me very much. I am concerned with the way in which some provincial Governments carry out their relationships with the federal Government either substantively or politically. I am also concerned sometimes with the way in which the Government carries out its relations with the Provinces. I think we have to separate the politics and the substance. We have to be able to find ways, regardless of the political stripe of the federal Government, to carry out mechanisms of co-operation in regional development between the Provinces and the federal Government. The question of political credit, I believe, is important. I do not blame provincial Governments for the fact that the federal Government did not have credit for many programs. Sometimes provincial Governments were at fault. But on many, many occasions—and I have been here 15 years

and some days—my frustration was with the federal bureaucracy and with Ministers within the federal Government who did not do as politicians should do, and that is to make sure there was political credit for the federal Government.

I believe political credit is extremely important, not only because of image or glory, but because the citizen, the voter, has the right and the responsibility to know and to find out what his Government is doing for him or her in his or her region. A citizen must make a judgment as to what the federal Government does and as to what the provincial Government does. The question of which Government is responsible for carrying out a program is extremely important in a democracy. The way the whole area of federal-provincial relations is going with regard to regional development is something which should concern many Members. The electorate in regions of slow growth, areas of the country that need to develop their economies, will not tolerate its politicians at different levels of Government bickering and destroying mechanisms of co-operation. It seems to me, in the case of my Province, that in some cases both Governments have been at fault. They have not differentiated between negotiating objectives and seeing where agreements or disagreements are. That is the substantive part. We have not differentiated between that and the politics of the situation.

I hope that when this Bill and this reorganization is complete we will have found ways to improve and to meet the concerns that I know some of the Members in the Liberal caucus have on this Bill.

• (1920)

Generally I think we all support the Bill. I certainly support it because there are some good things in it. There are some things wrong with the system as we know it and some things will be improved. I have made some proposals to the Government as to how to meet these concerns. They are being discussed, and I hope that we can improve the legislation in committee to ensure that we have a better system of meeting the needs of the slow growth regions of the country. We require more co-operative effort at both levels of Government to meet the needs of these regions and to ensure that they can plan their future so that there will be economic development and improvement in the standard of living in these areas.

The Acting Speaker (Mr. Blaker): Questions, comments. Debate.

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, in rising to speak on this Bill I hope to be very brief because I know there are other Hon. Members of the House who have comments to make. For example, I am sure the Hon. Member for Simcoe North (Mr. Lewis) would want to talk about DREE and what it failed to do for Simcoe County, particularly the Orillia area. I know he is anxiously preparing notes at the present time to participate in the debate between now and the time the Senate completes its deliberations. I know as well that other Hon. Members are anxious to participate, if given the opportunity.

I want to depart somewhat from the discussions which have taken place to date and concentrate upon other aspects of the Bill. First I want to deal briefly with Part IV which amends the Parliamentary Secretaries Act. There are probably other elements in the Bill which have captured the attention of the public more than this particular section. As Members of Parliament we should be very concerned about the growing lack of responsibility within Parliament for actions taken by the Government. Anyone who has sat in the House of Commons during Question Period knows that there is no greater frustration than trying to ask questions about an area of concern and discovering that the appropriate Minister is not even a Member of the House of Commons, that in fact he is a Senator and is not properly accountable in the House of Commons.

Every one of us accepts that it is both necessary and in some cases desirable to have Members of the Senate represented in Cabinet. It was useful for us when we were in Government and had few Members from Quebec to ensure representation from that portion of the country through using the vehicle of the Senate. The present Government which has only two Members of the House of Commons elected in constituencies west of Ontario has no choice, if it is to have western representation, but to appoint some Members of Cabinet from the Senate.

It leaves us in an invidious position in the House of Commons when important portfolios are given to Senators who are not accountable in the House of Commons. On a day-to-day basis when we attempt to obtain answers from Ministers, we find that the Ministers who have the information are simply not present. That problem will clearly be compounded if the Government gives itself the authority to appoint Parliamentary Secretaries from the Senate. Instead of simply running into problems where Ministers are not available and are not accountable in the House of Commons, Cabinet has devised a formula which will allow Parliamentary Secretaries to be drawn from the Senate as well and will prevent them from doing their job, the job that is necessary, as Parliamentary Secretaries in the House of Commons itself.

Were I a Member of Government, were I a Government backbencher, certainly I would be very concerned about the prospect of parliamentary secretaryships which currently reside in the House of Commons being transferred to the Senate, with the commensurate loss of authority within the House and the commensurate decline in the ability of Government Members of Parliament to have influence in what is happening at Cabinet level.

Nowhere is the lack of responsibility more apparent than it is in the case of the Canada Development Investment Corporation, a Bill which is currently before the House of Commons. The Minister responsible for CDIC is in the Senate, Senator Austin, yet the Minister responsible for the Bill in the House of Commons, the Minister of National Revenue (Mr. Bussières), is incapable of giving answers. On occasion after occasion when we have asked him questions, we have found that he is simply incapable of giving answers and that decisions are not being made by him but by a Minister who resides in

the Senate. For example, within the past few days I, among others, have raised questions about whether the Auditor General would be permitted to audit the books of CDIC. It is clearly appropriate that the Auditor General, who is Parliament's auditor, should be the one given access to the books of CDIC which will be the largest holding company in Canada, will have the authority to spend vast amounts of tax dollars and will be largely unaccountable to Parliament. It is clearly appropriate that the Auditor General be given access to those books and be responsible for alerting Parliament if tax dollars are not being well and prudently spent.

In the past few days we have also gone through an experience with Canadair and de Havilland. In the case of Canadair we found that that Crown corporation ran up the largest corporate loss in the history of Canada of $1.4 billion. The response of the Government, both in committee and to Hon. Members in the House, has been to claim that it was simply unaware of what was happening, that somehow it was the fault of management, and that the Government did not have any responsibility. Canadair and de Havilland will now be subsidiaries of CDIC which will have the responsibility of ensuring proper management, notwithstanding the fact that the management of CDIC has had very little, if any, experience in the private sector and is being asked to run the largest holding company in the history of Canada. Also, the Minister responsible for CDIC is in the Senate instead of being in the House of Commons. That Minister has a responsibility which dwarfs the responsibilities of many Ministers who are in the House of Commons.

That sort of situation leads to a position of impotence on the part of Members of Parliament in doing their job in holding the Government to account, in examining the Government's activities and in making suggestions on a day-to-day basis on how improvements could be made. We find as well a sense of frustration among the people of Canada when they find that they have a Government which has grown remote and a Parliament that is incapable of doing the job for which Members of Parliament were elected. With this Bill the Government would just remove that much further from the House of Commons, the elected representatives, the ability to obtain answers and to hold the Government to account. This is why, more than any other reason, I feel this provision of the Bill is one that is not healthy and should be struck out.

If the Government is to proceed with other elements, let it go ahead, and we will consider them on their own merits. But certainly it would be completely wrong for the Government to go ahead with proposals to put Parliamentary Secretaries in the Senate and to have them totally unaccountable to Members of the House of Commons.

I have cited one case, the case of CDIC, where there is clear irresponsibility at the present time, but there are others as well. What we have found as Members of Parliament—and no doubt, Mr. Speaker, you have found it during your tenure in office—is a growing tendency on the part of Government to remove itself from Parliament's scrutiny and to allow decisions, which should properly be made by Parliament itself, to be made by administrative boards and tribunals. Nowhere is that more apparent than in the case of the CRTC. The Government has given the CRTC vast grants of power to determine what Canadians will be able to watch on their televisions and will be able to listen to on their radios. That Commission, which is largely unaccountable to Parliament, does not find its estimates rigorously challenged by Parliament. It has in the Broadcasting Act a tremendous grant of authority to do whatever it wants. It has taken unto itself a tremendous amount of authority to make decisions about what Canadians will see and hear, to determine the shape of Canadian culture for the future, to determine the future of a multi-million dollar industry and to affect in some cases international relations, all without guidance from Parliament and all without the proper input of elected Members of Parliament as to what should be the policy.

It is just another example of how Government has grown remote and how it has been removed by one further degree from the elected representatives of the people. If the Government goes ahead with the proposal it is making in the Bill before us now, Government will become that much more remote.

Any of us could cite other examples of where Government has grown distant from Members of Parliament and where this Bill would simply complicate that particular problem. Another example could be found by returning to the question of Crown corporations. The Bill which the Government has before the House at the present time gives authority to create a limited number of new Crown corporations. Throughout the span of your tenure in office, Mr. Speaker, and the time that I have been here, the vast majority of major Crown corporations have been statutory corporations. Legislation has been introduced in Parliament which has been debated here. We have had the opportunity to discuss the elements of the Bills and to discuss what was good about them, propose amendments and suggest ways in which improvements could be made. This has been healthy.

• (1930)

In the case of Petro-Canada, for example, we had a long and very spirited debate in Parliament in which Members of Parliament were able to express their view and the views of Canadians at large as to what the proper course of action would be. However, we find new provisions and new legislation which would provide that the Government could incorporate an unlimited number of new Crown corporations without ever going to Parliament, as long as they were subsidiaries of existing Crown corporations. That particularly would be the situation in the case of the Canada Development Investment Corporation which could buy or sell any company in Canada without a bye-your-leave from Parliament, without a moment's debate here in the House of Commons. Surely that sort of irresponsibility, that use of tax dollars, that intrusion by the Government in the marketplace without proper accountability in Parliament and without the ability of the elected representatives of the people to do their job and to hold the Government to account could only cause concern for ordinary Canadians

who already believe that Government has grown too large, too remote, too costly, and too intrusive in the day to day lives of Canadians.

I was just getting warmed up, but I get the feeling that we are being called away. Perhaps I can pick this up in September when we return.

The Acting Speaker (Mr. Blaker): I thank the Hon. Member. Before we proceed any further, I have some matters of which I must inform the House.

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ELECTORAL BOUNDARIES READJUSTMENT ACT

FILING OF OBJECTIONS TO REPORTS OF COMMISSIONS FOR PROVINCES OF ONTARIO, QUEBEC AND BRITISH COLUMBIA

The Acting Speaker (Mr. Blaker): It is my duty to inform the House that a number of objections to the Electoral Boundaries Commission reports have been filed with the Speaker. Since they are numerous, if the House agrees, the texts of the objections will be printed as appendices to *Votes and Proceedings*. Is that agreed?

Some Hon. Members: Agreed.

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MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Blaker): I have the honour to inform the House that a message has been received from the Senate requesting this House to appoint a committee to act jointly with a Senate committee already chosen, if the House deems it advisable, to examine and consider the subject matter of Bill C-157, an Act to establish the Canadian Security Intelligence Service, to enact An Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto.

I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has agreed to the amendments made by the House of Commons to Bill S-24, An Act to implement an agreement between Canada and the Federal Republic of Germany for the avoidance of double taxation with respect to taxes on income and certain other taxes, without amendment.

I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following Bills, without amendment:

Bill C-166, An Act to amend the Judges Act and the Federal Court Act;

Bill C-119, An Act to repeal certain Statutes that have ceased to be enforced or have become unnecessary;

Bill C-165, An Act to provide for financial assistance for industrial development in all regions of Canada;

Bill C-167, An Act respecting the Tax Court of Canada and to amend the Federal Court Act, the Judges Act and the Unemployment Insurance Act, 1971; and

Bill C-95, An Act to provide for Government-operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act.

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THE ROYAL ASSENT

The Acting Speaker (Mr. Blaker): Order, please. I have the honour to inform the House that a communication has been received as follows:

Government House,
Ottawa,

June 29, 1983

Sir:

I have the honour to inform you that the Honourable W. R. McIntyre, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 29th day of June, at 7.30 p.m. for the purpose of giving Royal Assent to certain Bills.

I have the honour to be,
Sir,
Your obedient servant,
Esmond Butler
Secretary to the Governor General.

THE ROYAL ASSENT

[*Translation*]

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

Madam Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate Chamber.

• (1940)

And being returned:

[*English*]

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

Bill C-151, An Act to provide supplementary borrowing authority—Chapter 151

Summer Recess

Bill C-85, An Act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada—Chapter 152

Bill C-148, An Act to amend the Farm Improvement Loans Act (No. 2)—Chapter 153

Bill C-147, An Act to amend the Fisheries Improvement Loans Act (No. 2)—Chapter 154

Bill C-161, An Act to amend the Canada Student Loans Act (No. 2)—Chapter 155

Bill S-24, An Act to implement an agreement between Canada and the Federal Republic of Germany for the avoidance of double taxation with respect to taxes on income and certain other taxes—Chapter 156

Bill C-166, An Act to amend the Judges Act and the Federal Court Act—Chapter 157

Bill C-167, An Act respecting the Tax Court of Canada and to amend the Federal Court Act, the Judges Act and the Unemployment Insurance Act, 1971—Chapter 158

Bill C-119, An Act to repeal certain Statutes that have ceased to be in force or have become unnecessary—Chapter 159

Bill C-165, An Act to provide for financial assistance for industrial development in all regions of Canada—Chapter 160

Bill C-95, An Act to provide for government operated pool systems on combinations of athletic contests and events and to amend the Criminal Code and the Income Tax Act—Chapter 161

Bill C-164, An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1984—Chapter 162

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HOUSE OF COMMONS

SUMMER RECESS

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I have had consultations with my colleagues, the House Leaders, and, provided that both of them rise and say that I am correct in saying that there is unanimous consent, I move that the House do now adjourn and stand adjourned until September 12, 1983, without prejudice to Standing Order 4.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, on behalf of this Party, the Official Opposition, I am prepared to give unanimous consent. I know that my colleague, the Government House Leader, would probably want to move on to the property rights amendment debate and I know that the House Leader for the New Democratic Party would want, in the splendour of his tuxedo, to lead that debate on behalf of his Party. We would probably not get the required unanimous consent, however.

I should like to take this opportunity to wish all my colleagues on both sides of the House and the staff a welcome respite. I think it is important that we all get back to our ridings, have a little rest and see our constituents. We will be back on September 12 when the House resumes.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, you will notice that in my non-partisan fashion, I am wearing my Tory blue shirt. I wear it in the hope that they will learn something from the debates that have occurred in the last few months.

Of course I am delighted to join with my two colleagues and agree that we should not sit tomorrow but should rise tonight until September 12.

I also join my colleague in the Conservative Party in wishing that everyone will have a good and healthy summer. I hope they will put it to good use canvassing their ridings and meeting their constituents, particularly in the case of the Liberals in western Canada, in order that when we come back to debate the Crowsnest Pass freight rate changes they will have learned that those in the Prairies do not want the change.

[*Translation*]

Mr. Pinard: Mr. Speaker, since I was very brief in moving the motion, I would now like to congratulate all our Parliamentarians on the work they have done in the past year. I also wish to thank all members of the support staff of the House of Commons and I would like to wish everyone a pleasant stay away from Parliament. Hon. Members are aware that these are not real holidays, since the Summer recess gives us an opportunity to go to our ridings and fulfil our duties as Members of Parliament and elected representatives by consulting with and informing our constituents. So we are not rushing off to go on holiday but to do a different kind of work that is nevertheless part of our duties as Parliamentarians, and I am sure that Hon. Members will carry out those duties very responsibly as they always have done. We shall return on September 12 to continue our legislative duties in the Parliament of Canada.

[*English*]

The Acting Speaker (Mr. Blaker): May I say the same thing. On behalf of Madam Speaker and the other occupants of the Chair, including the Deputy Speaker, may I extend to all Members of the House our thanks for the privilege of serving in the course of the past year.

[*Translation*]

On behalf of Madam Speaker and my colleagues in the Chair, I wish you all a very pleasant vacation, if I may call it that.

[*English*]

I know it is not only a question of a vacation but for many of us a question of work as well.

Motion (Mr. Pinard) agreed to.

At 7.53 p.m. the House adjourned until September 12, 1983, pursuant to special order.

END OF VOLUME XXIII